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Nicaraguan Security Policy

Trends and Projections

Gordon McCormick, Edward Gonzalez,
Brian Jenkins, David Ronfeldt

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This report considers the security challenges that Nicaragua might pose to U.S. interests in Central America in the years ahead. It begins with the assumption that the Sandinista regime will complete the process of political consolidation, with Soviet and Cuban assistance, relatively unhindered by the Contra resistance or U.S. policy, while Central America remains insecure. The analysis focuses on examining future Nicaraguan behavior in four areas: (1) support for revolutionary insurgency in the region, (2) support for international terrorism, (3) the development of Nicaragua's conventional military establishment, and (4) the ways in which the Soviet Union might attempt to use Nicaraguan bases and facilities to establish a military presence on the Central American mainland. The authors suggest that, if their assumptions hold true, Nicaragua is likely to pose a more serious and complex problem for U.S. interests in Central America than has heretofore been expected.

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Nicaraguan Security Policy

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Gordon McCormick, Edward Gonzalez,
Brian Jenkins, David Ronfeldt

January 1988

Prepared for the
Director, Program Analysis and Evaluation

40 Years
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PREFACE

This study, which projects likely Nicaraguan security and military behavior into the early 1990s, was prepared as part of a RAND project on Trends in the Caribbean Basin. The research was sponsored by the Director of Program Analysis and Evaluation, Office of the Secretary of Defense (OSD), under RAND's National Defense Research Institute, an OSD-supported Federally Funded Research and Development Center. The study is based exclusively on unclassified sources.

It is important that the reader clearly understand what this research project was and what it was not. The researchers were asked to forecast what developments might occur in the second decade of the Sandinista revolution (1989-1999) that could affect U.S. security planning—a necessarily speculative undertaking. They focused on areas of greatest interest to defense planners: Nicaraguan support for insurgencies in neighboring Central American states; possible Nicaraguan support for international terrorist activity; the continuing growth of Nicaragua's military power; Soviet access to bases in Nicaraguan territory; the likelihood that the Contadora treaty, as presently envisioned, would effectively limit Nicaragua's military actions.

Forecasts require certain assumptions. A key assumption, in this case, was that U.S. efforts to prevent the consolidation of the Sandinista regime and limit its military buildup will have been generally ineffective, thus permitting the developments described here. It was also assumed that Soviet and Cuban aid will continue at least at present levels. The projections made in this study are not the worst case scenarios, but the research has naturally focused on those trends that would adversely affect U.S. security interests and therefore must be taken into account as possible contingencies by U.S. defense planners.

Obviously, it is not possible to predict the future, and this report makes no claim to do so. Things could turn out differently from what is described here, as a result of unforeseen events and developments inside or outside of Nicaragua.

The research and writing of this study were completed in March 1987, well before the Central American presidents agreed to pursue the Arias Plan in September 1987, and also before the October 1987 defection of Major Roger Miranda Bengoechea from Nicaragua provided new data about the Sandinistas' plans for expanding their military

capabilities. Nonetheless, the information obtained from Miranda only adds credence to the projections the authors had already developed. In addition, should the Arias Plan ultimately take full effect, it would have to address the kinds of problems discussed in this study regarding the earlier Contadora-type treaties.

While policy inferences might be drawn by some readers, the study itself does not identify, assess, or endorse the several policy options that may be available to the U.S. government for dealing with a Sandinista-ruled Nicaragua and the more general Central American crisis. An earlier but still useful review of such options is presented in RAND Report R-3150-RC, *U.S. Policy for Central America: A Briefing*, by Edward Gonzalez, Brian Jenkins, David Ronfeldt, and Caesar Sereseres, March 1984.

The authors would like to thank Bruce Hoffman and Jeffrey Simon, who assisted in the preparation of the initial draft of this study. Thanks also go to Kevin Lewis and Anthony Maingot, who provided thoughtful and informative reviews of the draft manuscript.

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SUMMARY

This study deals with one of the great uncertainties facing U.S. defense planners in the Caribbean Basin: What security challenges might Nicaragua pose to U.S. interests in Central America in the years ahead?

The study has assumed, as a point of departure, that the Sandinista regime will complete the process of political consolidation, with Soviet and Cuban assistance, relatively unhindered by the Contra resistance or U.S. policy, while Central America remains insecure. These assumptions were used because they are inherent in current trends, reflect the fears of our Central American allies, and provide a basis for reasonable future projections.

Although not one of the original assumptions, our examination of the Contadora treaty, as currently envisioned, suggests that it is unlikely to impose a serious constraint on the Sandinista government.

Against this backdrop, and on the basis of current Nicaraguan policies, our analysis has focused on examining future Nicaraguan behavior in four areas: (1) support for revolutionary insurgency in the region, (2) support for international terrorism, (3) the development of Nicaragua's conventional military establishment, and (4) the ways in which the Soviet Union might attempt to use Nicaraguan bases and facilities to establish a military presence on the Central American mainland.

What conclusions emerge from this study? If our contextual assumptions hold true, Nicaragua is likely to pose a notably more serious and complex problem for U.S. interests in Central America than has heretofore been expected. This is likely to occur in three of the four areas addressed in this study. The only case where Nicaragua is not likely to pose a significant problem for U.S. regional interests is in the area of Managua's support for international terrorism.

A SOVIET CLIENT REGIME

Nicaragua is well on the way to becoming a Soviet client. The Sandinista leadership is moving methodically in this direction, albeit slowly, cautiously, and in a way that is somewhat distinct from most other Soviet client regimes in the Third World. Nicaragua is classified by Soviet commentators as a "popular democratic" state, a term applied to the East European regimes during their period of transition to socialism during the late 1940s and early 1950s. Similarly, the

Nicaraguan revolution and the ruling Sandinista National Liberation Front (FSLN) have been given the same classification as the liberation struggles and "vanguard parties" of Angola, Ethiopia, Afghanistan, and Mozambique. Over the past seven years, Nicaraguan relations with the Soviet bloc and Cuba have been steadily solidified through increasing national-level contacts and a growing series of subnational linkages. Close relations have been established at the party-to-party level, between the Sandinista army and allied military establishments, within the internal security apparatus, and through extensive and still growing economic contacts. These ties are based on a common ideology, a common world view, and shared local interests.

- Cuban and Soviet-bloc involvement in Nicaraguan affairs is most evident in the military area. Between 2,500 and 3,000 foreign advisers and support personnel are currently attached to the Sandinista People's Army (EPS) and internal security service. These personnel operate throughout the chain of command, from the level of the Ministry of Defense down the company level within the Sandinista army.
- The Sandinista regime is evolving rapidly toward the establishment of a one-party state. The Sandinista party has established itself as the vanguard of the Nicaraguan revolution. Through the mechanisms of the Interior Ministry, the General Directorate of State Security (DGSE), the Sandinista Defense Committees (CDS), and other mass organizations, it is gradually imposing a range of Leninist political and social controls designed to complete the process of regime consolidation.
- Nicaragua is an associated member of the Council of Mutual Economic Assistance (CMEA) and a major recipient of Soviet-bloc economic aid. Combined Soviet economic and military assistance to Nicaragua is being provided at the rate of between \$2 million and \$3 million a day. This effort is supported by the presence of between 2,000 and 3,000 Soviet, Cuban, and East European civilian economic advisers and technicians.

THE SANDINISTA ARMED FORCES

For the next few years, the pace and character of the Sandinista military buildup is likely to be constrained by the speed with which the army is able to absorb new arms shipments, the competing demands of the counterinsurgency war against the Contras, and the ever-present threat of U.S. intervention. Should these constraints diminish over the

next few years, the Sandinista buildup can be expected to increase substantially. Particular improvements are likely to be seen in the qualitative area, through force modernization, increased training, and a gradual increase in the quality of the army's leadership and support base. The military balance in Central America is a fragile one. The armed forces of the region are small, poorly trained, and ill equipped. With this in mind, it is clear that the continued development of the EPS will pose a growing threat to regional stability. At the very least, such a development would serve as an important instrument of political intimidation in Nicaragua's relations with neighboring states. Over the next decade, we anticipate that:

- Nicaragua will attempt to acquire high-performance aircraft, perhaps beginning with the L-39 Czech trainer, leading to the MiG-21, MiG-23, or some comparable dual fighter/ground-attack aircraft.
- The EPS will develop an integrated air defense network to defend high-value, fixed sites. This could involve the deployment of several types of surface-to-air missiles, the SA-3, SA-6, SA-8, and SA-9.
- EPS firepower and mobility will grow through a gradual increase in the quantity and quality of armor, artillery, helicopter, and ground-transport inventories.
- Current overall force levels will be maintained, with some increase in the size of the national reserve force. Within this constraint, the configuration of the EPS will remain flexible.

SUPPORT FOR REGIONAL INSURGENCIES

The expansion and modernization of the Sandinista army may appear to be the more imposing trend. Yet if, as seems likely, Nicaragua is careful not to directly threaten its immediate neighbors, then the more subtle threat of Sandinista-promoted revolutionary unrest may prove to be the more serious problem over the next decade. Since 1979, Nicaragua has been integrally involved in the support of a range of guerrilla movements and insurgent bands in El Salvador, Honduras, Costa Rica, and Guatemala. This assistance has frequently been provided in coordination with Cuba and the Soviet Union. Three broad areas of activity can be identified: arms transfers and other material assistance, training and advisory support, and organizational and command guidance. While the nature and level of this assistance has varied over the past seven years, the Sandinista leadership remains

clearly committed to a "revolution beyond (its) borders." Over the next decade, Nicaraguan assistance to insurgent movements throughout Central America must be expected to continue. What form this assistance will take will be a function of local revolutionary opportunities, the nature and level of Cuban and Soviet-bloc support, the state of Nicaragua's own counterinsurgency campaign against the Contras, and the character of U.S. regional policy.

- Nicaragua lies at the center of a regional guerrilla network with established international ties. The broad-front character of Sandinista doctrine and Nicaragua's geographical location provide the regime with certain advantages should it choose to develop as a focal point of armed insurrection in Central America.
- Apart from its own efforts in this area, the regime is likely to continue to allow Nicaraguan territory to be used by Cuba and the Soviet bloc to support sympathetic regional guerrilla forces.
- As in the past, Nicaraguan assistance to local revolutionary movements is likely to fluctuate between active and passive modes of support, depending on the perceived risks of a U.S. response.
- While committed to the support of Marxist-Leninist elements in Central America, the Sandinistas can be expected to proceed with caution, avoiding actions that place the security of the regime at risk. The fear of reprisal will continue to serve as a restraint on regime behavior, in this area as in other areas of policy.

FUTURE SOVIET ACCESS OPTIONS

We can expect to see the Soviet Union begin to access Nicaraguan military facilities sometime during the second decade of Sandinista rule. For the foreseeable future, it appears likely that Soviet forces will content themselves with using upgraded Nicaraguan facilities, rather than attempting to build an independent basing structure. It is apparent that Soviet access might develop profitably in a number of different ways. By augmenting or complementing Soviet assets already based in Cuba, access to Nicaraguan facilities could enable the Soviets to establish a military "center of gravity" in the Caribbean Basin. At the same time, the Soviets will, for the first time, have the option of establishing a permanent air and naval presence in the eastern Pacific and along the U.S. west coast. The infrastructure needed to begin to

support a local Soviet presence is either in place or currently under construction. For the immediate future, Soviet actions are likely to be conditioned on the anticipated reaction of the United States. As U.S. policy toward Nicaragua stabilizes, however, Soviet behavior can be expected to become less responsive to U.S. sensitivities and directly keyed to Soviet local military requirements and political interests.

- The Soviets have made a significant military investment in Nicaragua, which is likely to presage an expanded future presence. Particularly notable, in this regard, is the construction of the Punta Huete military airbase and the ongoing port development projects at Corinto (Pacific) and El Bluff (Caribbean).
- Soviet air access to Nicaraguan facilities is likely to begin sometime within the next few years. This can be expected to commence with Tu-95 reconnaissance flights between Siberia, Nicaragua, Cuba, and the Kola peninsula.
- Soviet naval access is currently limited by harbor depth and inadequate support facilities. This will change within the next three to five years with the completion of the port development program.
- Soviet military access to Nicaraguan facilities can be expected to evolve gradually and incrementally, in an attempt to avoid prompting a U.S. response. Soviet access opportunities, however, are likely to expand and diversify over time as U.S. observers become conditioned to an expanding Soviet presence.

EXTERNAL, NOT INTERNAL, CONSTRAINTS WILL BE DECISIVE

Future Nicaraguan military development will tend to depend much more on external than on internal constraints. The current posture of the EPS is already beyond Nicaragua's ability to develop, support, or maintain without the continuing assistance of Cuba and the Soviet bloc. First, Nicaragua is not in a position to underwrite its own force buildup. Any expansion in the army's current equipment inventories, and probably even the requisite flow of spare parts and consumables to keep current inventories operational, will continue to depend on the Soviet bloc's willingness to provide the needed assistance without cost or on subsidized terms. Second, for the foreseeable future, Nicaragua will remain dependent on Soviet-bloc and Cuban assistance to maintain the military's operational readiness. Nicaragua does not possess the industrial base or skilled manpower to support or even develop an

effective and self-sufficient logistics base over the coming decade. The support burden is likely to grow rather than diminish over time with the growth, modernization, and further differentiation of the EPS.

All of this will work to tie the Nicaraguan army to its Cuban and Soviet-bloc sponsors. While the EPS has certainly come a long way in the past seven years, it has already reached and passed the point of asymmetric development. There is now a wide gap between the current posture, capabilities, and support requirements of the Nicaraguan armed forces and the capacity and level of technological development of the Nicaraguan economy. This will continue to foster a state of military dependency on foreign arms, technical support, and managerial and organizational expertise. The nature of this dependency has become all the more acute because of Nicaragua's single set of sponsors and the fact that the regime is not, and for the foreseeable future will not be, in a position to pay its own way. The degree to which Cuba or the Soviet Union will succeed in translating this dependency into political influence is a matter of debate. What it illustrates, however, is the degree to which developments within the Nicaraguan armed forces are subject to external direction and involvement. For the next decade, at least, Cuba and the Soviet Union can be expected to play an important role in underwriting and supporting military planning, development, and operations. As long as Cuban and Soviet-bloc support continues, Managua has the ability to maintain current force levels for the foreseeable future without undue strain to the national economy.

Apart from the issue of Cuban and Soviet-bloc support, the only potentially binding constraint facing Managua over the coming years will be the direction U.S. policy takes toward Nicaragua and the Contras. This factor will determine whether Nicaragua poses a greater or lesser challenge to the United States and its allies in the region. Should Soviet support waver, and the Contra resistance with U.S. support keep the Sandinista regime on the defensive, Nicaragua may not be able to develop fully as a revolutionary actor in the region and could well be compelled to turn inward, at least temporarily. If, instead, the assumptions that provided the starting point for this study prevail—continuing Soviet support, a stymied U.S. policy, and an ineffective resistance—the Sandinista regime will be relatively unconstrained from developing in the directions we have postulated. A Contadora-type treaty could slow, but is not likely to halt, these trends.

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I. INTRODUCTION

The threat Nicaragua may pose to U.S. security interests in the future constitutes one of the most important uncertainties for U.S. defense planning in the Caribbean Basin. What form will this threat take? What could the Soviet Union do from Nicaragua that would make a real difference for U.S. security in Central America? Although the Sandinista regime has now been in power for over seven years, the answers to these questions remain far from settled. This report attempts to address these issues comprehensively, focusing on the post-1989 period—after the tenth anniversary of Sandinista rule and the election of a new U.S. president.

Obviously, we cannot predict the future, and we make no claim to do so. Things could turn out differently from what we describe, as a result of unforeseen events and developments inside or outside of Nicaragua. Forecasts require that assumptions be made, and for this purpose we have assumed that U.S. efforts to prevent the consolidation of the Sandinista regime will have been generally ineffective. While we do not present worst case scenarios, the research focuses on those trends that would adversely affect U.S. security interests and that therefore must be taken into account as possible contingencies by U.S. defense planners.

Our projections of Nicaraguan policy are based on three factors: First, our assessments of future behavior have been shaped by Nicaraguan policy and actions over the past seven years. Sandinista foreign and security policy has remained relatively constant since 1980, although Managua has proven to be tactically flexible. Past actions, therefore, can reasonably be used as a basis for examining near-term Sandinista behavior.

Second, the stated goals and ambitions of the Sandinista leadership are reflected in our projections, as are our estimates of the political, strategic, and material constraints within which the regime is likely to have to operate. Throughout the study, we highlight the constraints that are subject to change and those that are likely to remain constant in the time period of interest. Our projections of future Sandinista policy options reflect these judgments.

Finally, we have taken into account the established patterns of behavior of the Soviet Union and its Third World clients. Over the past decade, the domestic political development, economic planning and resource mobilization, and military planning and regime security of

those clients have been remarkably similar. The character of Soviet policy toward its client states over this period has also remained relatively stable. These trends are not likely to change soon, and they provide a useful framework for examining the likely future direction of Nicaraguan political and military policies.

In the following section, we make some key assumptions concerning the future political and military environment in the region and the likely direction of Soviet, Cuban, and U.S. policies toward Nicaragua. Sections III through VI examine future Nicaraguan policy options in four areas: the promotion and support of regional subversion, support for international terrorism, the likely direction of military development, and the prospects for Soviet use of Nicaraguan facilities to support military operations in the Caribbean Basin and eastern Pacific. The ways in which a Contadora-type treaty might affect Nicaraguan behavior in each of these areas is considered in Section VII, and the report concludes with a brief assessment of the long-term security implications of Sandinista rule for both the United States and its local allies.

II. ASSUMPTIONS ABOUT NICARAGUA

Our assessment of Nicaraguan behavior in the early 1990s is based on the following assumptions about the Sandinista regime and the regional and international environment that is likely to define Nicaraguan political and military options:

1. The Sandinistas will consolidate their internal political position along Marxist-Leninist lines.
2. The Sandinistas will continue to promote external revolution.
3. Cuban and Soviet involvement in Nicaragua will continue to be heavy.
4. The economic, social, and political problems of other Central American states will remain unresolved, leaving them vulnerable to instability and insurgency.
5. The United States will continue to be limited in its attempts to influence events in Central America; the Contras are unlikely to directly threaten the survival of the Sandinista government.

We believe that these assumptions provide a reasonable foundation for assessing future Nicaraguan security challenges in Central America and the Caribbean Basin.

CONSOLIDATION OF SANDINISTA CONTROL

As it did during its first decade in power, the Sandinista National Liberation Front (FSLN) continues to place the highest priority on maintaining its exclusive hold on political power, while neutralizing domestic and international reaction to Nicaraguan developments. To disarm U.S. and West European public opinion and to overcome its economic problems, the FSLN regime will continue to retain those aspects of a democratic, pluralistic system that were promulgated in the new Nicaraguan constitution, adopted in January 1987. Because of their Marxist-Leninist orientation, however, the Sandinistas will take whatever steps are necessary to assure that their domestic opponents in the opposition parties, the private sector, and the Catholic Church

will neither obstruct the FSLN's socialist objectives nor challenge its effective monopoly on political power.¹

Under the new constitution, the Sandinistas limit the token opposition parties to participation in the FSLN-controlled National Assembly. The civil liberties and the activities of the independent labor union movement (what remains of it), the media, the private sector, and the Church are curbed through the emergency decree provisions of the constitution. The Sandinistas retain exclusive control over the country's armed forces and security apparatus, thereby monopolizing the instruments of state power. They also employ the Cuban garrison-state model to ensure social control and regime security, and they mobilize the popular masses through FSLN-controlled neighborhood defense committees, trade unions, and other mass organizations. Thus, despite a veneer of constitutionalism, the Sandinistas are moving in the direction of consolidating a Marxist-Leninist state.

The army and state security apparatus will remain critical to regime stability in the post-1989 period. The downfall of Salvador Allende in Chile in 1973 reaffirmed for Marxist revolutionaries the need to secure the loyalty of the military and internal security forces to guarantee the transition to socialism. In Nicaragua, the FSLN assures the loyalty of the Sandinista Popular Army (EPS) and the Ministry of Interior through party oversight, the presence of large numbers of foreign advisers, and the process of military professionalization.

SANDINISTA SUPPORT FOR EXTERNAL REVOLUTION

The Sandinistas' expressed commitment to a "revolution beyond our borders" in Central America is driven by a combination of factors that are likely to persist into the 1990s. As first-generation revolutionary Marxists, the Sandinistas have close ideological links with revolutionary movements throughout Central America; they share a common cause in "the struggle against North American imperialism." Party and state organs within the FSLN and the Ministry of Interior, notably the General Directorate of State Security (DGSE), have an organizational mission to unify the regional left and to assist in the "struggle of all peoples for the liberation of Central America and El Salvador." They in turn are integrated into an international support system for guerrilla groups that is run by Cuba, the Soviet Union, and other

¹The early Marxist-Leninist orientation of FSLN leaders is discussed in Shirley Christian, *Nicaragua: Revolution in the Family*, New York: Random House, 1985.

states.² Moreover, because of Nicaragua's porous borders, neither regime security nor the country's socialist future can be fully assured until Marxist-oriented movements come to power elsewhere in the region. In the meantime, support for guerrilla groups provides a weapon for intimidating or retaliating against hostile, pro-American governments in neighboring countries. The Sandinistas, however, are not likely to endanger their own regime's security for the sake of guerrilla insurgencies.

CUBAN AND SOVIET INVOLVEMENT

The institutional bonds established in the early and mid-1980s between the FSLN and the Communist parties of the Soviet Union and Cuba can be expected to be strengthened during the 1990s. Nicaragua also remains an associate member state of the Council for Mutual Economic Assistance (CMEA), a relationship governed by the Mixed CMEA-Nicaragua Cooperation Commission established in the mid-1980s. The integration of the Sandinista regime into the Soviet bloc in the next decade is likely to be accelerated by the further withdrawal of economic and political support by formerly sympathetic Western nations. Although nationalist sensitivities may be bruised, Nicaraguan behavior can be expected to become increasingly circumscribed by Moscow and Havana.³

Fidel Castro views Nicaragua as testimony to the correctness of his revolutionary strategy. Driven by his global ambitions and his sense of messianism in leading the anti-imperialist struggle against the United States, he will continue to supply Nicaragua with military, security, and technical assistance, including thousands of advisers, but he will stop short of risking a direct confrontation with the United States.⁴ Moreover, he is not likely to dispatch additional reinforcements to Nicaragua in the event of a direct U.S. intervention, although he could

²Using information obtained in interviews with current and former guerrilla leaders, including members of the FSLN, James LeMoyné, the Central American correspondent for *The New York Times*, has documented the extent to which Nicaragua forms an integral part of the internationalized guerrilla network in Central America. See James LeMoyné, "The Guerrilla Network," *The New York Times Magazine*, April 6, 1986.

³There have been reports of friction between Nicaraguans and their Cuban civilian and military advisers. Yet Sandinista irritation over Cuban (and Soviet) high-handedness remains self-limiting because of the Sandinistas' personal and strategic ties to Castro, their shared animosity toward the United States, and their dependence on Cuban military advisers.

⁴On Castro's foreign policy objectives and behavior, see Edward Gonzalez and David Ronfeldt, *Castro, Cuba, and the World*, The RAND Corporation, R-3420, June 1986.

order the Cuban forces already there to defend the Sandinista regime as he did on Grenada in 1983.⁵

The Soviet Union, having less directly at stake in Nicaragua and ever-mindful of U.S. security concerns in Central America, will continue to pursue its geopolitical objectives in the region cautiously. Moscow can be expected to keep the United States preoccupied by backing Nicaragua, continuing to endorse a strategy of armed struggle for Central America, and materially aiding guerrilla movements in the region. The objectives of this policy will be to undermine U.S. hegemony in the Caribbean Basin, further strain U.S.-Latin American relations, and open the way for a future Soviet military presence in the region. But the Soviet Union, like Cuba, will not risk its own security interests to defend the Sandinista regime in the event of a military conflict between the United States and Nicaragua.

To avoid provocations with the United States and to mask its involvement in Nicaragua, the Soviet Union will continue to rely on Cuba and other intermediaries. It will help shore up the Sandinista regime through petroleum shipments, economic assistance, and arms transfers. It will also seek to establish its own mechanisms of influence and control over the Sandinista regime through Soviet-Nicaraguan ties that are independent of Cuba.

AN UNSTABLE CENTRAL AMERICA

There are countervailing forces to Marxist-inspired unrest in Central America. Honduras, in spite of being one of the poorest countries in the region, has remained relatively stable and has no strong, indigenous revolutionary movement.⁶ Costa Rica has been a flourishing democracy for nearly four decades, with a competitive party system and a reputation for political civility and social progress that is unmatched elsewhere in Latin America. Despite decades of violence and military repression, reformist political parties under Christian Democratic leadership have now emerged in El Salvador and

⁵Following the U.S.-East Caribbean operation in Grenada in October 1983, Castro publicly acknowledged that Cuba's limited military capabilities would prevent it from defending Nicaragua beyond using the Cuban forces already in the country. This position was later reaffirmed by Vice President Carlos Rafael Rodriguez in a televised interview in Buenos Aires (see Foreign Broadcast Information Service (FBIS), June 3, 1986).

⁶Honduras had a per capita gross domestic product (GDP) of \$750 in 1984, which placed it slightly ahead of El Salvador, where the crippling effects of civil war had reduced per capita GDP to \$710. Honduran stability can be attributed to such factors as the country's low population density, less severe land pressures, agrarian reform measures, strong labor and peasant organizations under moderate leadership, and an accommodative political culture maintained by contending elites.

Guatemala. The majority of the peoples of the region retain conservative values—they yearn for peace, security, and economic advancement, not violent change.

Yet most of Central America is beset with economic, political, and social problems that are destined to become worse over time. In El Salvador, these problems have been greatly exacerbated by a six-year-long civil war that has caused an estimated 62,000 deaths, crippled large sectors of the economy, and strained Salvador's fledgling democratic process. Other Salvadors could be in the making if the region's problems are not redressed. The long-term outlook is problematic.

Although Central America experienced steady growth between 1950 and 1978, the region's agrarian-based export economies have since been undermined by depressed export markets and the rise in energy prices.⁷ The region's limited industrial capacity will continue to offer inadequate employment opportunities to a growing labor force that now stands at just over 8 million. For cultural and economic reasons, no industrial transformation in the area appears likely. In the absence of sustained economic growth, Central America will remain critically dependent upon continued U.S. economic assistance.

Rapid population increases can be expected to further exacerbate socioeconomic and political tensions, especially in El Salvador.⁸ These demographic pressures will intensify: Central America's population tripled between 1950 and 1985, growing from 9.1 million to 26.4 million, and it is expected to increase to 40 million by the end of the 1990s.⁹ The expected demographic-economic bind in the years ahead could affect even Costa Rica and Honduras, where population density and land pressures have thus far been less severe. Unless the region's stagnating economies rebound, the stability of Central American governments could be severely strained in the post-1990 period. Nicaragua, however, has the lowest population density in the region, and its system of political mobilization and militarization could enable it to

⁷After tripling in 1973, petroleum prices quadrupled in 1978 and 1979, when the region's basic export commodities started their steep decline: Coffee dropped from an average of \$2.56 per pound in 1977 to \$1.21 in 1981; sugar plummeted from 64 cents per pound in 1974 to seven cents per pound in 1982. These price changes sent Central America into a deep recession, brought a halt to the development of light industry in El Salvador, and intensified social tensions throughout the region.

⁸El Salvador has a population of 5.5 million. At 694 inhabitants per square mile, its population density is comparable to densities in southeast Asia and more than three times that of Guatemala, the country with the next-highest population density in Central America.

⁹See Sergio Diaz-Briquets, *Conflict in Central America: The Demographic Dimension*, Population Reference Bureau, Inc., Washington, D.C., February 1986.

absorb much of the surplus labor force among its rapidly growing youthful population.

THE LIMITATIONS OF U.S. POLICY IN CENTRAL AMERICA

The U.S. government will continue the economic, political, and security assistance programs recommended by the National Bipartisan Commission on Central America in 1984 to strengthen the capacity of the region to resist revolutionary subversion. But opposition by sectors of the American public and the Congress will limit that assistance, continuing the adverse trend of recent years.¹⁰ Without more Spanish-speaking U.S. advisory personnel, the effectiveness of programs designed to prepare local military establishments for low-intensity conflict could also be undermined.

Deficiencies, inefficiency, and corruption in the region's political and economic systems will continue to limit Central America's ability to absorb and effectively use U.S. military and economic aid. As a result, U.S. assistance may help to address some immediate economic and social ills, but unresolved structural problems will erode the benefits of that aid and could even contribute to a more profound socioeconomic and political crisis.

Finally, the ability of the Contras to develop into an effective fighting force is one of the greatest uncertainties of the late 1980s. With continued U.S. training and logistical support, the Contra resistance will probably increase in size, acquire new arms, and improve its level of combat proficiency. However, internal rivalries and resignations have left the Contra leadership increasingly divided. Also, no military or political resistance leader with a clear base of popular support has yet emerged, limiting the movement's political appeal.

A Democratic majority in the U.S. Senate and the continuing reaction to the Iran-Contra affair make the future of U.S. material support to the resistance uncertain. Without adequate funding, the Contras will contract and lose much of their effectiveness as a fighting force. Even with such support, their future effectiveness may be limited.

The Sandinistas have sought to deny popular support to the Contras by effectively tightening up their internal security measures. Additionally, since 1983, the Sandinistas have worked to regain the loyalty and support of the peasantry, particularly in the north, not only by accelerating the agrarian reform program, but also by distributing land

¹⁰See U.S. Department of State, *The U.S. and Central America: Implementing the National Bipartisan Commission Report*, Special Report No. 148, August 1986, p. 4.

to individuals.¹¹ Militarily, improvements in the proficiency of the Contras can be expected to be matched by qualitative upgrading of the EPS. Increases in the size of the Contra army could also be offset by the call-up of EPS ready-reserve and militia units. For these reasons, the Contras are likely to be limited to guerrilla-type incursions into Nicaragua, principally from Honduras, in a protracted war of attrition against the Sandinista regime.

THE VALIDITY OF OUR ASSUMPTIONS

The degree to which these assumptions, in fact, hold will have a decisive effect on the threat profile that Nicaragua presents to its Central American neighbors and the United States in the early 1990s. Many variations are possible. For example, with direct U.S. support, the Contras might topple the Sandinista regime, in which case the threat would be eliminated. Similarly, Castro's demise or removal from power could radically change Nicaragua's relationship with Cuba. This might, in turn, bring Managua more directly under the control of the Soviet Union, or it could force the Sandinistas to opt for a more independent path. On the other hand, the Salvadoran situation could deteriorate sharply because of a right-wing military-civilian coup, new Farabundo Marti National Liberation Front (FMLN) victories, or a leftist military coup that leads to power-sharing with the FMLN, thereby greatly heightening the prospects for a guerrilla campaign throughout Central America.

Although these scenarios are all possible, they are based on future events that are neither predictable nor necessarily plausible. Chosen arbitrarily, they would depart radically from present realities. Worse, to make assumptions that rest on such scenarios would open up an endless stream of possibilities of alternative futures that would render an assessment of the post-1989 Nicaraguan security challenge unworkable or irrelevant. In contrast, the assumptions we have made for this study appear to have both intrinsic validity and greater predictive utility.

¹¹Since 1981, 82 percent of the lands distributed under the Sandinista agrarian reform have been converted to cooperatives or collectives. Both forms of landholdings are to be strengthened under the 1987 Development Plan. Nonetheless, starting in late 1985, the government began delivering a greater portion of land to individual families, with the result that they received 41 percent of the total land distributed in 1986. Most of these individual family farms were concentrated in the north central and southern war zones, adjacent to Honduras and Costa Rica, respectively, which have had the highest Contra activity. Thus, 36,858 individual family farms were established in these two zones in 1986, compared with 11,739 cooperatives. *Central America Report*, April 10, 1987, p. 108.

III. PROMOTION OF REGIONAL INSURGENCY

The challenge posed by Marxist-led insurgencies in Central America is perhaps the most disturbing threat to the region's long-term stability. A guerrilla struggle is less likely to evoke an immediate U.S. or regional response than clear-cut military aggression or other forms of provocative action. The current threat is further compounded by a set of regional and international forces that were not present when Cuban-backed revolutionary movements first appeared in Latin America twenty-five years ago. Addressing this threat will require a comprehensive, sustained political and economic response, as well as military action. It will also require time. Today's low-intensity conflicts are thus likely to remain a major policy problem for the 1990s.

CENTRAL AMERICAN INSURGENCIES: PAST AND PRESENT

Throughout most of the 1960s, Fidel Castro promoted guerrilla war in Central and South America. By 1967, Castro and Ernesto "Che" Guevara were actively attempting to confront imperialism in its own hemisphere by producing "many Vietnams." Based on the experience of the anti-Batista struggle in Cuba, the Castro-Guevara strategy of armed struggle rested on the *foco* theory of insurrection, in which small, rural-based guerrilla bands served as both the spark and the vanguard of the revolution. Neither the Soviet Union nor Soviet-controlled Communist parties in Latin America accepted the Cuban position. In contrast to the *foco* theory, the orthodox Soviet line emphasized the leading role of the Communist party, the necessity of broad-based popular support in the cities, and the "peaceful road to socialism" (which would later be attempted in Chile, under Allende).

Castro's deviation from the Soviet position after the mid-1960s increased tensions between Moscow and Havana; those tensions reached a peak when Castro convened the first conference of the Latin American Solidarity Organization in Havana in August 1967 to denounce Communist—and, by implication, Soviet—abandonment of the armed struggle. Guevara's death the following October, however, halted active Cuban efforts to promote insurgency in the hemisphere for nearly a decade. With the demise of the guerrilla movements and

with the contentious issue of armed struggle out of the way, the Cuban-Soviet relationship was stabilized.¹

The Nicaraguan Revolution

A new cycle of revolutionary violence began in Central America in the late 1970s with the intensification of the anti-Somoza struggle in Nicaragua by the FSLN. Unlike earlier Cuban guerrilla groups, the FSLN concealed its Marxist-Leninist orientation in order to forge a broad, united front against the Somoza regime. It gained the active support of Venezuela, which supplied funds and armaments; Panama, which served as a conduit for weapons and supplies; and Costa Rica, which became both a supply depot and the territorial base of operations for the FSLN's southern front. The involvement of these three states, along with general international opposition to Somoza, masked and legitimized Cuba's more important role in the anti-Somoza struggle.

Starting in 1978, Cuba increased its support of the Sandinista leadership, intensifying a relationship that dated back to the early 1960s. Cuba not only supplied weapons and training to FSLN combatants, it also set up a command center in San Jose, Costa Rica, to help direct the anti-Somoza struggle. In March 1979, Castro played a pivotal role in reconciling the differences among the three principal Sandinista factions by making unity the price for continued Cuban support, which became crucial in the closing stages of the war. Cuba supplied some 60 arms shipments to the FSLN between December 1978 and July 1979, including heavy mortars used in the "final offensive," which Castro himself reportedly helped direct from Havana.

Nicaragua and the New Revolutionary Offensive

The Sandinista triumph in July 1979 was the first successful armed revolution in Latin America since the Cuban revolution. This success, along with Cuban, Nicaraguan, and eventually Soviet-bloc support, gave the Marxist guerrilla movements in El Salvador renewed impetus. Havana began playing host to Salvadoran guerrilla groups in May 1980 and helped to organize them into the Unified Revolutionary Directorate (DRU), which was to serve as the directive body for the united FMLN and Democratic Revolutionary Front (FMLN-FDR). The

¹On the issue of revolutionary strategy and its effect on the Cuban-Soviet relationship, see D. Bruce Jackson, *Castro, the Kremlin, and Communism in Latin America*, Baltimore: The Johns Hopkins University Press, 1969; and Edward Gonzalez, *Cuba Under Castro: The Limits of Charisma*, Boston: Houghton Mifflin Company, 1974.

FSLN Directorate offered to set up DRU headquarters in Managua the following month. Together, Cuba and Nicaragua increased their direct support for the FMLN in the civil war that threatened to topple successive Salvadoran governments through the early 1980s.

In the immediate aftermath of the revolution, Nicaragua also became a major promoter of other regional insurgencies. Managua hosted Guatemala's four guerrilla groups—the Guerrilla Army of the Poor (EGP), the Organization of the Peoples in Arms (ORPA), the Rebel Armed Forces (FAR), and a dissident faction of the Communist Guatemalan Workers' Party (PGT)—and secured their agreement to form an umbrella organization, the National Guatemalan Revolutionary Unity (URNG), in November 1980. In July 1983, a Cuban- and Nicaraguan-trained guerrilla force belonging to the Honduran branch of the Central American Revolutionary Workers' Party infiltrated Honduras from Nicaragua. A second Honduran guerrilla group, the Popular Revolutionary Forces (FPR), also trained in Cuba and Nicaragua, was infiltrated from Nicaragua into Honduras in July 1984.² Even Costa Rica spawned some revolutionary activity—a Costa Rican contingent that fought with the FSLN against Somoza remains in Nicaragua, where it has participated in counterinsurgency operations.

NEW DEVELOPMENTS IN CENTRAL AMERICA

Cuba, Nicaragua, and the Soviet Union view armed struggle as the most promising method by which to undermine U.S. interests in Central America, establish new Marxist-oriented regimes in the region, and ultimately expand the Soviet-Cuban political and military presence in the Caribbean Basin. The potential for new guerrilla triumphs in Central America arises from several factors that were not present in the 1960s.³ These factors are discussed below.

A United-Front Strategy

On the basis of the FSLN experience in the Nicaraguan struggle, Havana and Managua espoused a new strategy for armed struggle in 1980, which was endorsed by Moscow and adopted by Salvadoran and other Central American revolutionary movements. The new strategy is

²U.S. Department of State, "Revolution Beyond Our Borders"—Sandinista Intervention in Central America, Special Report No. 132, September 1985, p. 15.

³For an analysis of the factors favoring and limiting such insurgencies, see Caesar D. Sereseres, "Lessons from Central America's Revolutionary Wars, 1972-1984," in Robert E. Harkavy and Stephanie G. Neuman (eds.), *The Lessons of Recent Wars in the Third World*, Vol. I, Lexington, Mass.: Lexington Books, 1985, pp. 161-187.

political as well as military. It calls for the formation of a combined guerrilla/civilian front that includes non-Communist as well as Marxist-oriented opposition groups, and it requires that a guerrilla struggle be waged in the countryside, supported by mass political action in urban centers. Finally, it calls for the orchestration of international solidarity and support in Western Europe and the United States to restrain U.S. policies.

The new strategy was first introduced in El Salvador. There, in late 1980, the five Marxist guerrilla groups and their respective mass organizations were organized into the FMLN,⁴ while the radical civilian opposition was organized into the FDR. The FMLN-FDR not only broadened the base of popular support for the insurrection in El Salvador, but also helped to legitimize and disguise the dominant role of the Marxist-Leninist guerrilla leadership in directing the overall struggle.

New External Players

During the 1960s, Cuba was isolated in the Western Hemisphere, and its isolation was intensified by doctrinal and other policy differences with Moscow. Today, Cuba is no longer alone but has been joined by a new supporting cast of regional and international players that includes Nicaragua, the Soviet bloc, and radical Arab elements. The Soviet Union supports Nicaragua economically and militarily, endorses the Cuban-Nicaraguan revolutionary strategy, and, along with other Soviet-bloc states, provides material aid to the region's various guerrilla groups. At the same time, Libya and elements of the Palestine Liberation Organization (PLO) are also supporting local insurgent groups as part of the common struggle against U.S. imperialism. This international support provides resources that were unavailable to Havana in the 1960s, when Cuba was the sole proponent of revolutionary armed struggle in the West.

New Institutional Capabilities

Cuba's leadership is strengthened by the Department of Special Operations in the Cuban army, which provides guerrilla training; the Ministry of Interior's General Directorate of Intelligence (DGI), which maintains operatives and clandestine links with Third World guerrilla

⁴The FMLN itself is an umbrella organization comprising the People's Revolutionary Army (ERP), the Farabundo Marti Popular Liberation Forces (FPL), the Armed Forces of National Liberation (FARN), the Armed Forces of Liberation (FAL) (the armed wing of the Salvadoran Communist party), and the Revolutionary Party of Central America (PRTC). Each of these groups has its own mass organization.

networks; and the Communist party's Americas Department, which was founded in 1974. Headed by a former guerrilla veteran and close confidant of Castro, Manuel Pineiro, the Americas Department is the keystone of Cuba's revolutionary offensive. It not only recruits and trains rebel leaders, it also coordinates support for regional guerrilla movements and provides them with strategic guidance.

Nicaragua has institutional counterparts to these Cuban organizations that further help to coordinate the revolutionary offensive. With Cuban military advisers, the EPS provides training and support, and the Fifth Directorate of Intelligence, within the DGSE, is headed by Renan Montero Corrales, a Cuban-born naturalized Nicaraguan who fought with Che Guevara in Bolivia. Like the DGI in Cuba, the Fifth Directorate is reported to maintain clandestine operatives in insurgent movements throughout Latin America. The FSLN has also set up a Department of International Relations (DRI), modeled after the Americas Department. The DRI reports directly to the FSLN National Directorate and is responsible for establishing and maintaining support networks, in addition to recruiting and training guerrilla and political leaders.⁵

In this respect, the DRI has embarked upon a political strategy that aims at penetrating and radicalizing popular or mass organizations in the Honduran labor, peasant, and student movements through increased contact with the leaders of these organizations. This long-term strategy evidently seeks to create broad-based popular support for the eventual emergence of a Honduran guerrilla movement, as occurred in El Salvador in the 1970s.

The Guerrilla Network

The ascendancy of the Sandinistas to power in 1979 has made Nicaragua a key element in the international "guerrilla network" in Central America. This network is both extensive and well established within the region:

It is a world that has its own codes and knows no national borders. It has stopping points in Nicaragua, Cuba, Eastern Europe, and the Soviet Union, as well as in the theaters of war in El Salvador and Guatemala. Almost all its leaders are Marxists of one persuasion or another who believe that capitalism and imperialism are the causes of their countries' problems. Far from being a passing political fashion, their movement is deeply rooted in the troubled societies of Central America and can be traced to the leftist uprisings more than 50 years

⁵See Department of State, *"Revolution Beyond Our Borders,"* p. 4.

ago. They are the armed left—the generation that spent the 1970s preparing for revolution and is spending the 1980s fighting it.⁶

The network is likely to continue to find new recruits among Central America's middle and lower classes. The region's labor force has been nearly doubling every fifteen years, and is now expected to grow from 8 million in 1985 to nearly 14 million by the turn of the century.⁷ Unless the Central American economies experience a degree of growth and development that has eluded them thus far, the numbers of rural and urban poor will increase, as will the numbers of high-school- and university-educated but unemployed or underemployed middle-class youth. In the meantime, exposure to Marxist education and activism at the universities and in mass organizations, and to liberation theology, with its "Christian base communities," could radicalize new generations elsewhere in Central America, as it did in El Salvador in the 1970s and 1980s.

A Sympathetic International Community

The guerrilla groups operating in Central and South America during the 1960s were fairly isolated, and most of them operated with little international support or even attention. Che Guevara's Bolivian expedition finally attracted headlines when he was tracked down and killed, but he was a news item essentially only in the West. His elevation to the status of a cult figure occurred only after his death.

The new insurgency is quite different. On the basis of experience drawn from the Vietnam war and the Nicaraguan revolution, the present-day revolutionaries realize that two battles must be waged, one in the local guerrilla theater and the other in the U.S. political theater. Thus, the Sandinistas and the FMLN-FDR have assiduously cultivated foreign support in a concerted effort to gain "international solidarity" for themselves and, more important, to restrain U.S. policy.

Managua and the FMLN-FDR have established information bureaus in Latin America and Europe and promoted "solidarity organizations" that are active in many U.S. cities and on U.S. campuses. They have found receptive American audiences not only in leftist circles, but also among church and human-rights activists who have become part of the so-called "solidarity network" that opposes U.S. policy in Central America.

To further influence public opinion, they have manipulated the U.S., European, and Latin American media in support of their cause. The

⁶LeMoyne, "The Guerrilla Network," p. 16.

⁷Diaz-Briquets, *Conflict in Central America*, p. 9.

former chief of the U.S. military group in El Salvador in 1982, for example, found an initial lack of balance in press coverage of the war: "Many of the stories were written from within guerrilla-controlled areas, and some of the eyewitness accounts had a pro-guerrilla bias. There was little coverage of El Salvadoran army operations and virtually no interviews with the U.S. military trainers."⁸ The media have recently shown a more evenhanded treatment, yet they still frequently provide a channel for the revolutionaries to generate popular sympathy abroad.

THE COORDINATION OF NICARAGUAN-BASED INSURGENCIES

The interests of the guerrilla movements and those of Havana and Managua at times conflict. Following the U.S. military operation in Grenada in October 1983, for example, the Sandinista regime gave higher priority to consolidating Sandinista power internally than to supporting the FMLN guerrilla offensive in neighboring El Salvador. Nevertheless, Castro and the Sandinistas have insisted that guerrilla movements accept their authority and leadership as a condition for Nicaraguan and Cuban support.⁹

The Salvadoran Guerrilla Struggle

Cuban-Nicaraguan insistence upon controlling the Salvadoran guerrilla groups within the FMLN led to the murder of FPL "Comandante Anna Maria" and the suicide of FPL head Salvador Cayetano Carpio in April 1983. After founding the FPL in 1970 and initiating the Salvadoran armed struggle, Carpio had vehemently resisted efforts by Castro (and the Sandinistas) to take over his movement in 1981.¹⁰ In 1983, Havana and Managua moved to replace him as FPL leader with the

⁸John D. Waghelstein, "El Salvador and the Press: A Personal Account," *Parameters, Journal of the U.S. Army War College*, Vol. XV, No. 3, 1985, p. 66. Colonel Waghelstein recounts that the Salvadoran army, in contrast to the guerrillas, was highly suspicious of the press and not adept at public relations.

⁹In the past, Cuba denied or withdrew its support from groups that did not recognize Castro's authority and preeminence. In 1966, Castro denounced as Trotskyite Yon Sosa and his Thirteenth of November Revolutionary Movement, backing instead the rival Guatemalan movement led by Turcios Lima. In the early 1970s, he also broke with Douglas Bravo's Armed Forces of National Liberation in Venezuela, which he had previously supplied with Cuban combatants, munitions, and cash, but which refused to accept Cuba's *modus vivendi* with the Venezuelan Communist party.

¹⁰"In 1981, during a meeting in Havana, he [Carpio] reportedly told Fidel Castro to go to hell because he felt the Cuban leader was meddling too much with Salvadoran affairs." (LeMoyne, "The Guerrilla Network," p. 73.)

younger Anna Maria, who agreed with the Cuban-Nicaraguan strategic line. However, Anna Maria was brutally murdered by one of Carpio's assistants following her return from Havana. In a showdown with Manuel Pineiro and other Cuban and Nicaraguan officials, Carpio himself was ordered to go to Cuba. But rather than go to Cuba and face imprisonment, Carpio shot himself. His followers were purged from the FMLN, and some of them were taken to Havana for interrogation.¹¹

The leaders of the Guatemalan and Salvadoran movements, which date back to the 1960s and early 1970s, respectively, are particularly likely to insist on retaining the leadership and organizational autonomy of their movements. They may want to pursue their own "homegrown" strategy and tactics and may resist outside efforts to assume control over the guerrilla struggle in their countries for nationalistic reasons.

Yet, as the fate of Carpio's FPL demonstrates, the guerrilla movements may prove to be too dependent upon external support to defy Cuba and Nicaragua. Indeed, after Carpio's death, the FMLN improved its level of military coordination. With renewed Cuban-Nicaraguan backing, the FMLN won new battles against the Salvadoran army until the October 1983 Grenadan operation led Managua to temporarily cut back its support.

The Ebb and Flow of Nicaraguan Support

The level of Nicaraguan support for regional guerrilla movements has varied since 1980, apparently as a function of (1) the local movements' political and military effectiveness and prospects for victory; (2) the extent to which Cuba and the Soviet bloc are ready to provide the movements with direction, political support, and military supplies; and (3) the permissiveness of the international environment, particularly with respect to the likelihood of a U.S. military response.

Between 1980 and 1983, the Sandinistas collaborated closely with Cuba and the Soviet bloc, actively supporting the FMLN-FDR in its January 1981 "final offensive" and during the subsequent two years when it appeared to be besting the Salvadoran government, both politically and militarily. Cuban involvement was high and Soviet bloc support was forthcoming during this period. The FMLN-FDR also benefited from international solidarity, with Mexican and French policies tilting toward the insurgents. The U.S. policy response, constrained by the Congress and public opinion, was limited to security and economic assistance to the Salvadoran government. Throughout this period,

¹¹Ibid., pp. 73, 75.

Managua actively provided the FMLN with strategic guidance, training, command-and-control facilities, and logistical support.

After the invasion of Grenada, both Havana and Managua feared that the U.S. action could be a trial run for an attack on Nicaragua. Hence, they temporarily reduced material aid to the FMLN, and the Sandinistas obliged the Salvadoran rebels to temporarily leave Managua. They later returned, and Nicaraguan support was resumed, but a renewed effort was made to maintain a lower Nicaraguan-Cuban profile.

Managua's new emphasis on internal consolidation was reinforced by adverse political and military trends for the FMLN in El Salvador after 1983. The election of Jose Napoleon Duarte in June 1984 gave his administration a democratic legitimacy that had been absent in previous Salvadoran regimes. The U.S. administration's policy toward El Salvador consequently gained broader Congressional and public support, which, in turn, led to greater levels of economic and security assistance. Within El Salvador, political momentum shifted in Duarte's favor as the military distanced itself from the country's oligarchy and supported his negotiations with the rebels at La Palma in early 1985.

By then, military trends had also shifted against the FMLN, as U.S. assistance and training improved the Salvadoran army's equipment, leadership, and motivation. The FMLN was forced to engage in small-unit actions, urban terrorism, and mine warfare, which led to the maiming and killing of many innocent civilians. Popular support for the guerrillas had diminished substantially by 1985, and the number of guerrilla combatants had reportedly declined to two-thirds the 1983 level.¹²

Although the Salvadoran civil war no longer holds the prospect of a quick victory, neither Managua nor Havana has abandoned the FMLN. They continue to provide the political backing and material assistance needed for a protracted struggle. In the meantime, Nicaragua appears to be laying the groundwork for the development of a future revolutionary movement in Honduras.

Following the Castro model, Nicaragua seeks to influence, if not subvert, the political processes of its neighbors by less visible, less objectionable means. In Honduras, Managua has sought to penetrate the leadership of the labor, peasant, and student popular organizations that traditionally have been controlled by moderates. Through repeated contacts with leaders of these organizations and expense-paid visits to Managua, the Sandinista regime may be trying to radicalize

¹²Department of State, *"Revolution Beyond our Borders,"* p. 12.

the Honduran popular organizations. Such a strategy could establish a basis for mass support of guerrilla groups in Honduras, such as occurred in El Salvador after 1979.

NICARAGUAN-BACKED INSURGENCY IN THE 1990s

Given its interests, patterns of behavior, and modes of operation since 1979, the Sandinista regime is likely to continue to promote revolutionary subversion in the 1990s. The principal constraints on such activity would be external—i.e., the absence of local revolutionary situations, the cessation of Cuban and Soviet-bloc support, the risk of U.S. military retaliation. Barring those constraints, Nicaragua can be expected to engage in a wide spectrum of insurgency activities, in collaboration with Cuba.¹³

Passive In-Country Activities

Nicaragua may not find it opportune or possible to actively back revolutionary insurgencies throughout the coming decade. The possibility of exposure and international reaction may pose too high a risk for Managua, and it may be necessary to halt the export of revolution to assuage the fears of the United States and other neighboring states. Similarly, some revolutionary groups may not have enough local popular support to merit Nicaragua's active involvement, or their prospects for victory may be too remote to warrant sacrificing Nicaragua's diplomatic interests.

Thus, Nicaragua may assume a more passive role in promoting revolutionary violence in the region, limiting itself to providing Latin American revolutionaries with an economically, politically, and psychologically supportive environment while they are in exile. The Sandinista government now provides such people with work or subsidizes their living expenses and supplies them with Nicaraguan passports and access to the state-controlled media and other propaganda forums.

Through the DRI of the FSLN, Managua may extend governmental support to exiled revolutionary organizations operating in Nicaragua, helping bankroll them, allowing them to set up front organizations, and

¹³Castro's death or removal from the Cuban scene could alter the equation, however. A post-Castro Cuba is likely to become even more subordinated to the Soviet Union, less audacious in its behavior, and thus less "internationalist." In such an eventuality, Nicaragua might become a more compliant Soviet client and be less inclined to promote guerrilla insurgencies on its own. On the other hand, without Castro's Cuba as a buffer, the Sandinistas might seek to escape Soviet satellization and pursue a more independent course.

facilitating their political and communication activities inside and outside of Nicaragua. Some movements may be recognized as governments-in-exile. The extent of assistance may depend partly on Sandinista and Cuban assessments of a group's revolutionary prospects. Managua can be expected to continue to provide Central American guerrillas with a secure place of respite from the rural and urban wars in their home countries, and with medical attention and other nonlethal support.

As they have done in recent years, the DRI and the DGSE continue to recruit prospective political and guerrilla cadres from other countries. They will seek to radicalize these individuals and train them to assume leading roles in their own countries' popular organizations and guerrilla movements.

Active Out-Country Activities

Managua may intensify its support activities by moving beyond its borders and assuming a direct operational role in the region's guerrilla insurgencies. It may turn to blackmail and intimidation of hostile neighboring regimes, even seemingly neutral regimes, as it has reportedly done by backing the M-19 in Colombia.¹⁴

Working through the DRI and the DGSE, Nicaragua may actively promote local insurgencies in Central America and nearby South American countries by becoming the repository for Soviet-bloc arms, military equipment, and medical supplies; serving as a transshipment point for the clandestine delivery of arms and supplies to Central American, Venezuelan, and Colombian guerrilla groups through air, land, and sea routes; and serving as a staging area for guerrilla incursions and a base of operations from which guerrillas can launch their attacks directly into neighboring Costa Rica and Honduras, or transit into El Salvador, Guatemala, and northern South America.

Nicaragua could become the command center for guerrilla operations in Central America, Colombia, and elsewhere, providing strategic guidance to guerrilla forces and running their communication facilities, liaison operations, clandestine agents, and support networks.

¹⁴Long backed by Castro, the M-19 has offices in Managua and evidently has received Sandinista support, training, and guidance. The arms used by M-19 in its ill-fated, bloody occupation of Colombia's Supreme Court in November 1985 were supplied from Nicaraguan inventories or transshipped by Nicaragua. This and other signs of Nicaraguan involvement and solidarity with M-19 have severely strained relations between Colombia and Nicaragua.

CONCLUSION

As first-generation revolutionaries, the Sandinistas remain committed to promoting revolution beyond their borders in the 1990s. Whether they do so actively or passively and at what levels of intensity will depend upon the Sandinista leadership's assessment of local revolutionary situations, Cuban and Soviet policy, and the anticipated international reaction. The recurrence of inviting targets of opportunity in Central and South America is certain to reinforce Nicaraguan subversive proclivities. Also, guerrilla and political organizations in and outside of Nicaragua will surely continue to press the Sandinistas to extend "internationalist solidarity."

IV. SUPPORT FOR INTERNATIONAL TERRORISM

Another threat to the security of the region arises from the possibility that Nicaragua, under the Sandinistas, might emerge as a state sponsor of international terrorism. State sponsorship, as practiced by countries such as Libya, Syria, or Iran, involves the use of terrorist tactics, the employment of terrorist groups, or the exploitation of terrorist incidents as an instrument of national policy and a mode of surrogate warfare. It may take the form of providing terrorists with money, training, weapons, documents, and asylum; in some cases, it may involve government instigation, direction, and participation in actual terrorist operations, such as furnishing terrorists with intelligence, technical know-how, and the use of the diplomatic pouch to smuggle weapons and explosives.

A government may resort to terrorism to "protect itself," directing terrorist operations against potential rivals and troublesome exiles (e.g., Libya's campaign against foes of Qaddafi living in other countries), or it may sponsor terrorism to advance its foreign policy goals. Iran, for example, reportedly has sponsored terrorist operations in the Arab Gulf states as part of a larger campaign to discourage those states from supporting the Iraqi war effort.

Alternatively, governments may use terrorism as a substitute for or a component of a regular armed conflict, as is done in the struggle between Israel and the Arab countries. Finally, governments may resort to terrorist tactics, principally assassination, to combat terrorist elements operating against it. The Israelis and the Spanish both have been accused of sending hit teams abroad to kill terrorist foes.

There have been numerous reports of links between the Sandinista government and terrorist organizations. Many of these links were forged during the Sandinistas' struggle to take power between 1962 and 1979. For a variety of reasons, the Sandinistas are more cosmopolitan, more "internationalist" in their outlook than most of the other guerilla groups in Latin America. They have developed close ties with the most violent of the Palestinian organizations and have served with them in various terrorist operations as well as during the civil war in Jordan. The Sandinistas have maintained liaison personnel in Paris (code-named "the Pashas" for their easy life compared with that of their comrades in the jungles of Central America), where they came into contact with the other terrorists who moved through the

Palestinian orbit. In Mexico City, Sandinista agents have kept the Soviet embassy informed about Cuban activities in the region.

Despite their links with terrorist organizations and their participation in Palestinian operations, the Sandinistas' own struggle in Nicaragua was comparatively free of the kinds of terrorist actions that accompanied guerrilla campaigns elsewhere in Latin America. The Sandinistas were more traditionally Marxist and did not routinely engage in kidnapping to raise money.¹ However, they did carry out two dramatic hostage incidents: the seizure of government officials and foreign diplomats at a private home in 1974 for whose release they received a sizable ransom,² and the seizure in 1978 of more than a thousand hostages at the National Assembly building in Managua. Although they assassinated certain government officials, the Sandinistas engaged in no indiscriminate terrorist bombings. Overall, their campaign was comparatively clean.

The FSLN continues to express its ideological solidarity with other movements and organizations engaged in the struggle against "international imperialism," including the PLO; to others, including the Red Brigades, the Basque separatist group ETA, and the Red Army Faction, the new Nicaraguan regime offers asylum and training.

THE SANDINISTAS AND THE PALESTINIANS

The relationship between the Sandinistas and certain militant elements of the Palestinian movement dates back to the 1966 Tricontinental Conference in Havana, where more than 500 delegates from 82 countries assembled to proclaim their solidarity and celebrate armed struggle. Delegates from both the PLO and the FSLN were in attendance.

The goals of the Tricontinental Conference were not realized. Within a few years, most of the Latin American guerrilla movements that were enthusiastically cheered at the conference had been defeated. The glossy Tricontinental Magazine was downgraded to cheaper paper and less frequent publication. The Sandinistas, however, fought on, and through their representatives in Europe and Mexico developed closer ties with the PLO. As a result of these connections, a number of

¹Nevertheless, they accepted significant financial support in the late 1970s from Marxist guerrillas in El Salvador who had no such compunctions about ransom kidnapping and saw the Sandinistas as a good investment. During the final offensive of the civil war, volunteers from several groups joined the Sandinista army.

²This incident, although tactically a success, provoked considerable criticism within the Sandinista leadership.

FSLN cadres were invited to Palestinian training camps in Lebanon, Jordan, and Libya.

Of all the Palestinian organizations within the PLO, the Popular Front for the Liberation of Palestine (PFLP) was the most receptive to these international ties. Its Marxist ideology facilitated alliances with other Marxist-Leninist revolutionaries, while its commitment to international terrorism created an operational requirement for foreign confederates. German, Swiss, French, Italian, Turkish, and Latin American terrorists, including the notorious Carlos, served as agents or accomplices of the PFLP, primarily in Western Europe. The terms of these arrangements were always the same: training, money, and weapons in return for operational assistance in terrorist operations. Attracting less suspicion than the Europeans who in the late 1960s and early 1970s were already subject to increasing scrutiny, the Nicaraguans were especially useful.

For their part, the struggling Sandinistas saw the Palestinians, who received financial support from the Arab states, primarily as a source of money. In return, the Sandinistas provided Nicaraguan passports for use in terrorist operations, assisted the Palestinians in gathering intelligence, and participated in their attacks. The most celebrated case involved Patrick Arguello Ryan, a Sandinista guerrilla of Anglo-Irish and Nicaraguan parents. He joined the pantheon of Sandinista heroes when he was killed during the attempted hijacking of an El Al airplane in London in 1970. Several other Sandinistas also took part in this operation, in which three jet airliners were commandeered and forced to fly to a desert airstrip in Jordan. The passengers were exchanged days later for Palestinian terrorists jailed in Europe. (According to a former Sandinista, a brief dispute between the Palestinians and the Sandinistas developed when the hijackers found a large sum of money in one passenger's suitcase. The Sandinistas wanted to "expropriate" it for the revolution. Horrified that such an action would make them appear to be common thieves, the Palestinians made the Nicaraguans leave it.) When the PFLP later provoked the civil war with Jordanian forces, the Sandinistas fought at their side.

The relationship between the Sandinistas and the Palestinians continued during the 1970s. Evidence that Sandinistas were being trained at PLO facilities in Lebanon was uncovered when Israeli forces overran the organization's camps in June 1982. According to one report, documents seized during the invasion showed that "Third World Communists, notably Cuba's Castro and the Sandinistas of Nicaragua, have

either extended aid or served as models for PLO military planners."³ Prominent members of the Sandinista regime trained by the PLO include Former Minister of Communications Enrique Schmidt (who was killed in combat against Contra rebels in November 1984) and Deputy Minister of Interior Rene Vivas.⁴

The alliance between the Sandinistas and the Palestinians was also fueled by the close relationship between their archenemies, the Somoza government and the state of Israel, which developed during the Israeli War of Independence in 1948, when Nicaragua was one of the few countries that was willing to supply the Israeli forces with arms and was one of the first to officially recognize the new state. These early ties cemented a close relationship that persisted until the younger Somoza's downfall in 1979. Israel was providing military assistance to Nicaragua as early as 1961, and during the final weeks of Somoza's rule, Israel remained a steadfast ally, refusing to seek even a measure of dialogue with his potential successors.

In response, the Sandinistas and the PLO concluded an open alliance in February 1979, when the two organizations issued a joint statement condemning the state of Israel.⁵ Five months later, the first concrete evidence of a more extensive relationship surfaced. On July 11, 1979, a cargo jet chartered by the PLO made a stopover in Tunisia on its way from Beirut to Costa Rica. Although the plane's manifest listed medical and relief supplies destined for Nicaraguan refugees who had fled across the border, Tunisian authorities discovered that the crates—bearing the symbol of the Red Crescent (the Arab world's equivalent of the International Red Cross)—contained 50 tons of Chinese-manufactured arms and ammunition, including three artillery pieces.⁶ On the basis of such support, it was concluded that although "available evidence does not suggest that Palestinian weapons were delivered to the Sandinistas before 1979, there is no doubt that the PLO had a part in the success of the Sandinista final offensive that year."⁷

This assistance was rewarded with Nicaraguan diplomatic recognition of the PLO and the opening of a PLO embassy in Managua

³Raphael Israel (ed.), *PLO in Lebanon: Selected Documents*, New York: St. Martin's Press, 1983, p. 33. It should be noted that none of the PLO documents referred to here are actually reproduced in this volume.

⁴Associated Press, August 7, 1985. According to the *Miami Herald*, March 3, 1985, "Veteran Sandinistas say that it was at PFLP camps that the Nicaraguans first met European leftists."

⁵*Washington Post*, July 12, 1979.

⁶*Ibid.*

⁷Ignacio Klich, "Latin America and the Palestinian Question," Institute of Jewish Affairs (IJA), Research Reports 2 and 3, January 1986, pp. 17-18.

(although diplomatic relations with Israel were not broken until three years later). PLO Chairman Yasir Arafat was also among the dignitaries who attended the 1980 ceremony in Managua celebrating the first anniversary of the Sandinista victory. During the ceremony, Nicaraguan Interior Minister Tomas Borge lauded the PLO's role in the Sandinistas' victory: "We say to our brother Arafat that Nicaragua is his land and that the PLO cause is the cause of the Sandinistas." In response, Arafat declared that "the links between us are not new. Your comrades did not come to our country just to train, but also to fight. Your enemies are our enemies."⁸ Trumpeting a familiar PLO cry, Arafat added, "The road to Jerusalem leads through Managua," affirming the PLO's commitment to fellow revolutionaries.⁹

The arrival of the first PLO advisers in Nicaragua was reported shortly after this, in late 1980, and reports have continued to surface that a small number of PLO training personnel remain stationed there. In 1985, the Associated Press quoted a Pentagon spokesman as stating that there were approximately 40 to 50 Palestinian advisers in Nicaragua (and perhaps a number of Libyans as well).¹⁰ Moreover, PLO assistance to the Sandinistas has not been confined to training and military aid. In January 1982, Arafat was quoted by a Beirut newspaper as stating that PLO pilots had been sent to Nicaragua as well.

PLO INVOLVEMENT IN CENTRAL AMERICA

The geopolitical confrontation between Israel and the PLO in Nicaragua has spilled over in recent years into the larger Central American area. Over the past decade, Latin America has become one of Israel's principal markets for defense-related exports. Thus, "the military dimension of Israeli-Latin American relations has, at times, provided the PLO with political ammunition,"¹¹ and it has also provided them with an entry into the region. As Israel's earlier support for the Somoza regime provided a context and facilitated increased PLO involvement with the Sandinistas, continued Israeli arms sales to other Central American countries are likely to promote increased PLO involvement with revolutionary and insurgent movements among those countries as well.

⁸Quoted in David J. Kapilow, *Castro, Israel and the PLO*, The Cuban-American National Foundation, Inc., Washington, D.C., 1985, p. 5.

⁹Quoted in Jillian Becker, *The PLO*, New York: St. Martin's Press, 1984, pp. 166-167.

¹⁰Associated Press, August 7, 1985.

¹¹Kilch, "Latin America and the Palestinian Question," p. 16.

Between 1977 and 1982, Israel supplied El Salvador with Arava military transport aircraft and Mystere combat aircraft. Guatemala also received Aravas, along with Kfir combat aircraft and large stocks of Galil assault rifles. Honduras was provided with Galils and Uzi sub-machine guns, Aravas, Westwind aircraft, and coastal patrol vessels.¹² In addition, Israel is reported to have provided arms to the Contras. Arms captured from the PLO during the 1982 Israeli invasion of Lebanon were said to have been sent to the Contras through the Honduran government, and Edgar Chamorro, a former Contra leader, stated that his group received 2,000 weapons from Israel in 1984.¹³

In addition to the obvious economic and political dividend, Israeli arms exports have also served as "an instrument in the service of U.S. and western global security."¹⁴ Israel has been able to extend U.S. and Western military assistance to Latin American governments and authoritarian military regimes which, because of human-rights violations or other issues objectionable to U.S. domestic political opinion, would otherwise be unable to obtain such aid.¹⁵ In 1977, when the Carter administration cut off all U.S. military assistance to the Guatemalan National Armed Forces in retaliation for alleged human-rights abuses, the slack was quickly taken up by the Israelis. Since then, Israel has been Guatemala's largest military supplier.

Israeli arms transfers to Central America further damaged Jerusalem's already strained relations with the Sandinista regime. Diplomatic relations between Israel and the new regime were broken off in August 1982. Although PLO pressure and the regime's desire to express solidarity with the embattled Palestinians in Lebanon were the ostensible reasons for the break, U.S. efforts to undermine the Sandinistas and the use of third countries, including Israel, to achieve this aim were salient considerations. In 1985, Nicaraguan President Daniel Ortega cited Israel's past support of Somoza and present military assistance to "U.S.-inspired anti-Sandinista rebels" as the reasons for the termination of relations. Similarly, Panamanian Rabbi Heszel Klepfisz, a former adviser on educational affairs to General Omar Torrijos, contended that Israel's initial support of Somoza and subsequent aid to anti-Sandinista forces pushed the regime "into the PLO's arms."¹⁶

PLO involvement in the region has been facilitated to a certain extent by the "ethnic affinity" of the descendants of Palestinians who

¹²Sharon Klieman, *Israeli Arms Sales: Perspectives and Prospects*, The Jaffe Center for Strategic Studies, No. 24, February 1984, p. 43.

¹³Associated Press, August 7, 1985.

¹⁴Klich, "Latin America and the Palestinian Question," p. 17.

¹⁵Ibid., p. 44.

¹⁶Ibid., pp. 17-18.

emigrated to Central America earlier in the century. The leader of the Communist party in El Salvador, Jorge Shafik Handal, talked of his Palestinian lineage as one more proof of the solidarity of his movement with the PLO.¹⁷ His father is reported to have emigrated to El Salvador from Bethlehem in 1921. Handal has stated that he has visited Lebanon several times, where he was hosted by the Democratic Front for the Liberation of Palestine and other PLO groups. Other prominent Central American revolutionaries of Palestinian ancestry include the Nicaraguan Minister of Transportation, Carlos Zarruk.

The Palestinians provide the Sandinistas with one link to the world of international terrorism and the Arab-Israeli conflict. The Sandinistas have also developed close relations with Libya, which has been trying to increase its influence among both governments and guerrilla movements in the region. Libya has a People's Bureau in Managua and has given the Sandinista government large amounts of financial aid and arms. There also have been reports of Libyan pilots providing some training in Nicaragua. The receipt of Libyan assistance does not automatically mean that Nicaragua will become a base for Libyan terrorism or a state sponsor of terrorism itself. However, the emergence of Libya as an alternative source of military support could diminish the amount of leverage the Cubans now exercise. The Cubans traditionally have been skeptical about the utility of terrorist tactics and cautious about their employment; therefore, they should be seen as a potential constraining influence on the Sandinistas. Libya's relations with its own neighbors in Africa and with other revolutionary groups provide a different model of behavior.

RELATIONS WITH OTHER TERRORIST GROUPS

Both Italy and Spain have asserted that the Sandinistas have given haven to European terrorists. In 1980, Lauro Azzolini, one of the founders of Italy's Red Brigades, was reported to have visited Nicaragua. (It was never confirmed that he actually was in the country.) Among his crimes, Azzolini has been sentenced in absentia for participation in the kidnapping and assassination of former Italian Prime Minister Aldo Moro. In February 1985, the Italian government gave Nicaragua a list of 22 Red Brigade terrorists believed to be living in the country. Prime Minister Bettino Craxi, in a speech to the Italian Parliament, revealed that Italian intelligence services had discovered that Red Brigades leader Barbara Balzarani was being given

¹⁷Kapilow, *Castro, Israel and the PLO*, pp. 4, 13.

safe haven in Nicaragua and was allowed to move freely in and out of the country. Balzarani is also under life sentence for Moro's murder.¹⁸ (She was later captured in Italy; it is not clear that she ever had been in Nicaragua.)

The issue of Italian terrorists being given safe haven in Managua has been a stumbling block in Italian-Nicaraguan relations. In October 1985, the Nicaraguan Ambassador to Rome was called in for discussions with Italian authorities in an effort to gain Managua's cooperation in tracking down and extraditing Italian terrorists resident in Nicaragua. In February 1985, Roberto Sandalo, a former member of Prima Linea (an Italian urban guerrilla group), stated that at least five leaders of that organization had joined the Sandinista armed forces to serve as instructors. Sandalo, who had turned state's evidence, also claimed that Nicaragua had become a "nerve center" for international terrorism.¹⁹ In July 1985, a senior U.S. Defense Department official stated that approximately 200 Italians, some of them members of the Red Brigades, had completed terrorist training at two Nicaraguan camps run by Cuban and Palestinian instructors. Among the skills taught at the camp were the use of explosives and assassination techniques. According to the report, the European terrorists in Nicaragua (including West Germans and Spaniards) were apparently posing as volunteer agricultural workers.²⁰

Members of the Spanish Basque separatist group ETA were also reported to have established offices in Nicaragua for the falsification of documents.²¹ Suspicions that ETA and the Sandinistas were involved in a plot to kill Nicaraguan rebel leader Eden Pastora in Costa Rica led Spain to threaten to end economic aid to Managua. Gregorio Jimenez Morales, an ETA member, was arrested in Costa Rica in 1983 for leading a ten-man hit squad.²² Jimenez subsequently confessed that he did not get Sandinista permission to carry out the plot, and Nicaraguan Interior Minister Tomas Borge denied that there was any organized ETA group in Nicaragua; however, Borge admitted in 1983 that "there is a possibility that ETA units are in (the) country." According to a Spanish weekly, *CAMBIO-16*, more than 100 ETA members from Mexico, Venezuela, and France have been trained in Nicaragua. Despite official protests, Italian and Spanish officials discount the threat posed

¹⁸JPRS, Foreign Broadcast Information Service (FBIS), February 26 and March 26, 1985.

¹⁹Ibid., February 26, 1985.

²⁰*International Herald Tribune*, July 6, 1986.

²¹*Christian Science Monitor*, January 17, 1984.

²²*Washington Post*, September 16, 1983.

by "their" terrorists in Nicaragua.²³ Spanish officials note that the few European terrorists in Nicaragua seem to do little more than hang around cafes telling war stories to impress local girls. Although the Red Brigades survive as an organization and may still carry out terrorist operations, their moment in history appears to have passed. Other terrorist or guerrilla groups reported to have been given sanctuary in Nicaragua are the Red Army Faction of West Germany, the Montoneros of Argentina, and the M-19 of Colombia.²⁴

CONCLUSION

What direction will the Sandinistas take in the future? Will they maintain their revolutionary credentials by continuing to be a destination for terrorists on the run, providing a congenial atmosphere for revolutionaries in exile, a safe place for rest and recuperation, some training, and a lot of rhetorical support? Or will Nicaragua become an active state sponsor of terrorism? The answer depends on several factors.

The Sandinistas did not emerge from a struggle in which terrorism was extensively employed by both sides. Apart from their few ventures into international terrorism alongside the Palestinians—a price paid for financial support and training—their struggle at home was comparatively free of terrorist tactics, and their few ventures into hostage-taking provoked debate and dissent among their own leaders.

It is, of course, difficult to separate support for terrorism from support for guerrilla groups that may resort to terrorist tactics, such as the guerrillas in El Salvador, who on occasion have sought publicity through dramatic assassinations of American officials. The Sandinistas may have felt that such tactics were legitimate, since the principal targets were American military men, or that they were counterproductive, since they aroused the wrath of the American people. Since coming to power, the Sandinistas have not behaved as a terrorist state. They did apparently conspire with terrorists in South America to assassinate former president Somoza, whom they regarded as a dangerous criminal; however, they did not authorize the attempted assassination of Eden Pastora.

In addition to their own views on the use of terrorism, several things constrain the Sandinistas. They want and need European aid, and

²³In private discussions with Brian M. Jenkins.

²⁴James D. Theberge, *Soviet, Cuban, and Nicaraguan Sponsorship of Expanding Terrorist Network Poses New Threat to U.S. Security in Western Hemisphere*, FBIS, Background Report, August 22, 1985.

European countries have recently become more sensitive to the issue of state-sponsored terrorism, demonstrating a willingness to impose sanctions—albeit mild ones—on countries shown to be sponsors. With their smaller economic and political stake in Central America, European governments would find it far easier to get tough with Nicaragua than with Libya or Syria.

The Sandinistas are also sensitive to their world image. World public opinion is their first line of defense, and Sandinista leaders cultivate it assiduously. They make a distinction between the policies of the U.S. government and the American people, and they take care not to alienate the latter. The Sandinistas may hope that domestic opposition to U.S. support for the Contras will ultimately remove the most significant threat to their regime. Given current public attitudes in the United States, any connection with terrorism would be perilous. A major incident might provoke full-scale U.S. military intervention with popular support.

Cuban and Soviet influence must also be counted as a constraint. Although the Soviet Union supports liberation movements that regularly use terrorist tactics, it has not, despite allegations to the contrary, been shown to be connected with the violent terrorist groups of Europe, except in Turkey. Moscow probably would regard Sandinista involvement in terrorism as a dangerous and needless provocation to the United States. Similarly, although Cuba has actively supported guerrillas in Latin America, it generally has counseled against the use of terrorist tactics.

Finally, Sandinista connections with the Palestinians are now through the mainstream, more moderate Arafat wing of the PLO, which thus far has shown little inclination toward terrorist violence outside of Israel. Indeed, there have been no major Palestinian terrorist attacks in Latin America.

Several developments, however, could persuade the FSLN to adopt a more active role in international terrorism. Despite efforts to cultivate popular support in Europe and the United States, Nicaragua might over time find itself increasingly isolated. Soviet and Cuban influence might decline or might become more receptive to terrorism, although it is difficult to imagine the circumstances that would result in either development. If the government of El Salvador successfully contains the guerrillas in that country, they might, in frustration, revert to a campaign of urban terrorism, posing a hard choice for the Sandinistas about continued support.

The most likely incentive to international terrorism may come from the U.S.-backed Contras. If the Contras should begin to make significant military and political progress, the Sandinistas might alter their

approach. There have already been some reports that Sandinistas or Honduran confederates may be scouting possible targets in Honduras for attack. A demonstration that U.S. support for the Contras will not be achieved without American casualties might intensify debate in this country.

The Sandinistas have several options. They might try again to create a native Honduran group that can operate against U.S. targets on their behalf. Or they could try to avoid alienating Americans by confining their attacks to Contra targets. They could attempt to persuade Puerto Rican terrorists to attack Contra training centers in Puerto Rico, or they could go after Contra leaders outside Nicaragua.

In sum, Nicaragua could move in either direction, with a passive role more likely under present circumstances and a more active role contingent upon the degree to which the Sandinistas feel directly threatened by the Contras and the prospect of international isolation.

V. THE SANDINISTA PEOPLE'S ARMY

The Sandinista People's Army (EPS) was founded in early 1980. The original force, as planned, was to consist of nine infantry battalions, one armored battalion, two field artillery batteries, one air-defense battery, and one engineer battalion. This force was to be supported by a small air force and navy, outfitted initially with equipment acquired during the Somoza period.¹ Since that time, the combined Nicaraguan military establishment has expanded rapidly, far beyond the numbers originally envisioned. The Nicaraguan army and militia in early 1987 were estimated to field between 65,000 and 68,000 men (see Table 1). An additional 10,000 men are assigned to the Border Guard, the Ministry of Interior, and paramilitary elements of the secret police. These numbers have expanded every year since 1979.

As manpower levels have increased, so too have the quantity and quality of Nicaraguan arms. In the years immediately following the revolution, the newly constituted armed forces were equipped mainly with arms and equipment carried over from the Somoza era. In the

Table 1

ESTIMATES OF MILITARY PERSONNEL IN CENTRAL AMERICA

Country	Army	Navy	Air Force	Other ^a	Total
Belize	900	40	15	500	1,455
Costa Rica	—	—	—	8,000	8,000
El Salvador	38,650 ^b	490	1,000	11,500	51,640
Guatemala	32,400	1,050	890	11,600	45,900
Honduras	15,000	990	2,100	5,000	23,050
Mexico	100,000	28,400	5,500	—	133,900
Nicaragua	65,000–68,000 ^c	800–1,000	2,000–2,200	10,000	77,800–81,200 ^d
Panama	7,500	225	425	4,000	12,500

^aParamilitary forces, including national police.

^bIncludes the naval infantry, naval commandos, airborne battalion, and air-base security battalion.

^cIncludes the EPS, active reserve, and militia.

^dDoes not include inactive reserve and part-time militia.

¹For an assessment of the early evolution of the EPS, see Jack Child, "National Security," in James D. Rudolph (ed.), *Nicaragua: A Country Study*, Washington D.C.: U.S. Government Printing Office, 1982.

intervening six to seven years, the services have been almost totally rearmed with Soviet-bloc arms and equipment. Present inventories consist of some 120 light and medium tanks, 200 additional armored vehicles, 175 howitzers, heavy mortars and antitank weapons, 24 122mm multiple rocket launchers, 700 SA-7 surface-to-air missiles (SAMs), 200 air-defense guns, and over 2,000 trucks and jeeps. In the air, the Sandinistas have recently been equipped with 12 to 15 Mi-24 helicopter gunships, 25 to 30 Mi-8 and Mi-17 medium-lift helicopters, and An-22 transports. The EPS is expected to have some two dozen Mi-24s operational by the end of 1987 or early 1988.²

Cuban and Soviet-bloc military advisers have played a critical role in guiding and supporting this buildup. At the present time there are estimated to be between 2,500 and 3,000 foreign military advisers in Nicaragua. The majority of these are Cuban personnel assigned to the EPS and the Ministry of Defense. Additional Cuban personnel, as well as several hundred Soviet, East German, and Bulgarian advisers, are attached to the government and intelligence apparatus. There is a strong foreign presence in the Ministry of Interior, which has the responsibility of administering the civil and secret police and an internal security force of between 2,000 and 3,000 men. Cuban and Soviet-bloc advisers have provided critically needed organizational and technical skills. Cuban personnel continue to provide the bulk of the army's logistical and technical support. While the Cubans do not appear to have become involved in direct operations against the Contras, they serve as an important bonding element within the armed forces and are certainly involved in EPS operational and tactical planning. Cuban advisers regularly operate with Sandinista units down to the company level.

CONTROL, ADAPTATION, AND CURRENT OPERATIONS

The combined Sandinista armed forces are controlled by the FSLN National Directorate through the Ministries of Defense and Interior (see Fig. 1). The Ministry of Defense, which controls the EPS and the Sandinista People's Militia, is responsible for external security, territorial defense, and the military training of the population. The Ministry of Interior, which is charged with internal security, intelligence, and

²These data are drawn from *The Military Balance*, 1985-86, International Institute for Strategic Studies (IISS), London, 1986; and James P. Wooten, *The Nicaraguan Military Buildup: Implications for U.S. Interests in Central America*, Congressional Research Service, Washington, D.C., December 18, 1985. These estimates have been refined and updated by recent press reports and through interviews conducted by the authors.

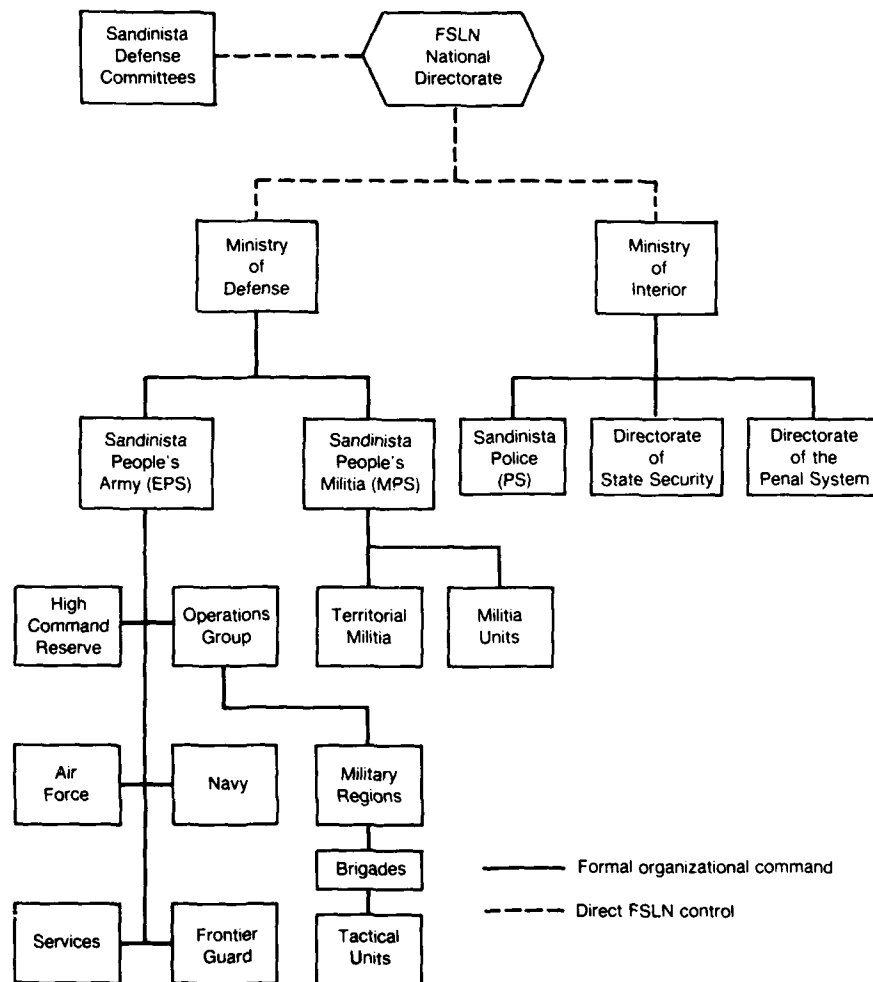


Fig. 1—The structure of Nicaraguan security forces

regime protection, controls the civil and secret police and military units of the DGSE. The final element in the combined security apparatus is the Sandinista Defense Committees (CDS), under the direct jurisdiction of the National Directorate. The CDS are responsible for surveillance, indoctrination, political mobilization, and the support of the secret police.

The structure of organization and command within the security forces has remained largely unchanged since 1980, with the exception of the EPS, which has undergone a number of recent shifts in an effort to respond to the growing threat posed by the Contra insurgency. At the present time, the chain of command runs from the Ministry of Defense and EPS Headquarters in Managua to the Operations Group, which serves as the Sandinista's advanced theater-level command, to the commands of each of seven military regions. The principal operational decisionmaking unit is the brigade. Brigades are assigned by military region and are believed to be responsible for controlling designated areas of the countryside. Most tactical units are controlled at the brigade level, including militia and other permanent territorial units operating in areas of high guerrilla activity. As the war against the Contras has developed, tactical and operational decisionmaking has become increasingly decentralized in an effort to achieve greater flexibility and improved reaction times. This has put much of the responsibility for the war in the hands of the individual brigade commander.³

In the wake of the 1979 revolution, the Sandinista leadership moved, with Soviet and Cuban support, to reconstitute the Nicaraguan armed forces along modern conventional lines. Although the size and shape of this buildup was constrained in the short run by absorptive capacity and the perceived limits of U.S. tolerance, its purpose was to provide the regime with a conventional military force, structured roughly along the lines of those of other Soviet clients. This has changed over the intervening five to six years with the gradual growth of the armed opposition to the regime. Much more attention is being given today to the problem of territorial security. This shift in emphasis has become particularly evident in the past two years, with the establishment of specialized counterinsurgency forces, which have been used quite successfully in recent operations against the Contras. This has been accompanied by the first development of an associate doctrine of

³This shift in emphasis seems to have begun in 1983 and is directly correlated with the rise of armed opposition to the regime. While this has yet to be established, similarities in approach suggest that recent doctrinal innovations within the EPS may have also been influenced by counterinsurgency tactics pioneered by the Cubans in Angola and Mozambique.

antiguerrilla warfare, rooted in the Sandinistas' own experiences during the struggle against Somoza.⁴

These changes have been most apparent in the area of force design. First, close attention over the past three years has been given to creating and training specialized units for counter guerrilla operations. These units have largely been of two types: light infantry battalions (BLIs) of between 700 and 800 men, and special *Cazador* (hunter) units of approximately 300 men. The BLIs and *Cazador* units together field between 10,000 and 12,000 troops and constitute the elite of the Sandinista army. Most are composed of full-time professional soldiers. All appear to receive specialized training, are equipped with some of the most modern equipment in the Nicaraguan inventory, and are well-managed and led. These units stand in contrast to the balance of the EPS, which receives significantly less combat training and which, as a whole, has performed relatively poorly in confrontations with the Contras. Most planned offensive actions by the EPS, particularly along the Honduran border, are currently being carried out by units of this type.

Nicaraguan counterinsurgency forces have developed gradually over the past four years in response to the growing demands of the war. As Contra activities intensified during late 1983 and early 1984, it became apparent that the standard infantry battalion, which served as the army's primary tactical unit, was much too large and unwieldy to be used successfully against an elusive opponent operating in groups of between 50 and 100 men. This deficiency led to the establishment of the first BLIs in 1984. The need for even greater flexibility resulted in the creation of the first *Cazador* units in late 1985 or early 1986. Where the BLI remains tied to its base area, the hunter group, which is much more lightly armed and therefore less dependent on its source of support, is capable of operating in the field for days at a time with little or no logistical assistance. In the past year, it appears that the move toward decentralization has continued. Increasing attention seems to have been given to the conduct of independent company-level operations and the use of small, long-range special-force teams.

Second, in an effort to preserve a core conventional capability, most of the army's armor, artillery, and mechanized units were brought together to form a single striking force, organized roughly along the lines of a Soviet armored division. This force, which retains its own support elements, is known in some circles as the High Command Reserve (RAM). Most of this force is based in or around Managua.

⁴This has involved the establishment of special units, new small-unit tactics, the development of a village-based intelligence and militia network, armed cooperatives, and selected population movement in areas of known guerrilla activity.

Its purpose, it appears, is to provide the army leadership with a single conventional instrument that might be used (1) to confront any serious challenge to the regime in or around the capital or the urbanized Pacific slope, and (2) to provide an additional deterrent to a possible U.S. military intervention. As in the case of the special forces, the RAM is manned and led by a comparatively high percentage of professional soldiers and appears to be better trained than the balance of the army.

The RAM is supported by a large reserve force which may be capable of fielding between 70,000 and 75,000 men when fully mobilized. The reserves were reorganized as a compulsory system tied to the draft in October 1985. Conscripts leaving active service immediately enter the reserves until the age of forty, when they are finally released from their service obligation. While some reserve units have been called up over the past three years to assist in the anti-Contra struggle, the primary role of the reserve force is to serve as a deterrent and counterweight against any future invasion by the United States. As in the case of the High Command Reserve, most of this force would be called up and employed in the cities and towns of the Pacific slope (see Fig. 2). This effort would be supported by the MPS, which under such conditions would be placed at the disposal of local brigade commanders. A force of this nature, though poorly armed and generally inadequately trained, might nevertheless pose a serious challenge to an invader by forcing him to subdue a militarized population.

Finally, much more attention is being given today than in the past to the establishment of an urban and rural internal security network. This has been driven both by the Contra insurgency and by the regime's continuing efforts to consolidate its authority and control. As noted earlier, internal security is the responsibility of the Ministry of Defense, through the village and urban militia, the party, the mechanism of the CDS, and the Ministry of Interior, which controls the General Directorate for State Security. In the past two years, the regime has also begun arming agricultural cooperatives located in areas of known resistance activity. These organizations are playing an important role in the areas of mass mobilization, internal surveillance, and intelligence. In the border region, they work closely with the army to help monitor infiltration routes and deny the Contras a base of popular support. Together, these initiatives have made it increasingly difficult for the resistance to operate successfully within the Nicaraguan interior.

Significant innovations have also been made in the air, where, under Cuban guidance, the EPS has begun to make effective use of its Soviet-supplied helicopters. Most of these assets are deployed to the

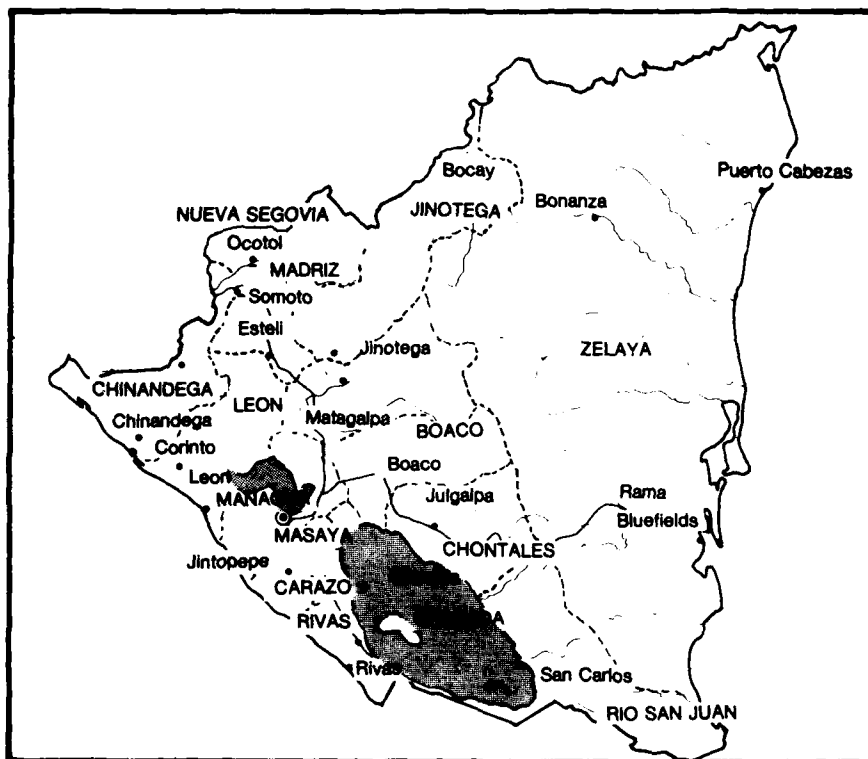


Fig. 2—Provincial map of Nicaragua

north, at secondary airbases recently established or improved around Esteli, Matagalpa, Montelimar, and Puerto Cabezas. The introduction of large numbers of transport helicopters (Mi-8s, Mi-17s) and helicopter gunships (Mi-24s) has provided the EPS with its single most important advantage in the war against the Contras.⁵ The resistance has little effective counter to these weapons, which are being used for intelligence gathering, for area patrol, as gun platforms, as reaction forces, and for the rapid insertion of ground troops into areas of enemy

⁵At this writing, the Contras are known to have shot down only two Soviet-made helicopters (Mi-8s), both by gunfire. In the past year, the Contras are believed to have been supplied with a small number of manportable SAMs (British Blowpipes and Soviet SA-7s). These have not yet been distributed in sufficient quantity to have had an effect on Nicaraguan helicopter operations.

concentration. These assets have proven to be particularly effective when used in combination with *Cazador* and special-forces units. The EPS is improving its reaction time and its ability to coordinate combined air and ground operations. As the Nicaraguan helicopter inventory grows, as it almost certainly will, the effectiveness of EPS operations against the Contras can be expected to increase.

The majority of Nicaragua's counterinsurgency units are deployed in the departments of Madriz, Jinotega, and Nueva Segovia, where they cover the principal infiltration routes from Honduras used by the Nicaraguan Democratic Front (FDN). Others operate along the border with Costa Rica against reconstituted elements of the ARDE, now organized under the command of the United Nicaraguan Opposition (UNO)-south, and along the Caribbean coast against the Miskito-Suma Indian front, UNO-KISAN. Prior to the introduction of these units, EPS operations were severely circumscribed by the difficult terrain in which the army was forced to operate. The central highlands, in both the northern and southern areas of operation, are extremely mountainous. The absence of an adequate road network made operating in these areas very difficult for the conventional army. The Caribbean coastal region is generally flat but equally inaccessible. Road communication between the northeastern coast and Managua is all but nonexistent. Most movement through the area is carried out over a few dirt roads and improved game trails, which are largely impassable during much of the year. The only major road through the Zelaya department is the Rama road, running between Granada, on the shores of Lake Nicaragua, and the port of El Bluff, well south of the main areas of guerrilla activity. Operations in this area have depended heavily on helicopter transport, as well as the use of troops who are specially trained and conditioned to deal with the topography and climate, with minimal logistical assistance.

The growing aggressiveness of the EPS has resulted in numerous border violations against Honduras and Costa Rica. The problem has proven to be most severe along the northern border. Until 1986, when the government stopped protesting these incidents, over 200 major violations were registered by Honduran authorities. These violations have included overflights, road mining, cross-border artillery and mortar attacks, hit-and-run attacks by elements of the EPS, and incidents involving the hot pursuit of Contra units, as well as a number of larger planned operations by Sandinista forces. Most of these incidents have occurred in the areas bordering Nueva Segovia, in the El Paraiso department of Honduras. Other incursions have been registered against the Honduran departments of Choluteca, Olancho, and Gracias a Dios. The largest raid to date occurred in March 1986, when a force

of between 1,500 and 2,000 troops crossed the Rio Coco to strike a Contra camp in El Paraiso. The attack occurred in the area southeast of the Honduran town of Paredes and was carried out over a period of 24 hours. The attack itself was successful, but in withdrawing from the area, the Sandinistas ran into a large Contra force returning from a mission in Nicaragua. During the ensuing battle, the EPS was reported to have suffered between 300 and 400 casualties. Despite this loss, cross-border operations by elements of the EPS have continued.

The most recent operation of this type was launched in December 1986. The Sandinista attack, once again, was launched into the area of the Las Vegas salient and involved somewhere in the neighborhood of 1,000 troops. According to news reports of the action, EPS units advanced up to 5 miles across the border, overrunning several Honduran military outposts and setting fire to three deserted villages near the town of Cifuentes. In response to this attack, the Honduran air force struck several targets inside Nicaragua, including a helicopter base used to support Sandinista military operations along the Honduran-Nicaraguan frontier. Though provocative, for the foreseeable future, such border incursions are likely to be limited by the geography of the region and Nicaragua's fear of reprisal.

DIRECTIONS FOR THE FUTURE

The EPS has significantly improved its ability to wage a counter-insurgency war over the past two years. This has been achieved through the rapid establishment of special-forces units, the development of a rudimentary doctrine of irregular warfare, and the concentration of training and material resources toward this end. The results, by and large, have been positive. The special-forces units of the EPS have become the cutting edge in Managua's war against the Contras. They also stand out clearly from the balance of the EPS which, as a general rule, has received far less training, and certainly less combat experience.

While successful, these efforts have been undertaken at the expense of the army's conventional potential. The Sandinistas succeeded in quickly mobilizing a large army in the aftermath of the revolution. Training this force to a common, acceptable standard has proven to be a much more difficult undertaking. This problem was made increasingly difficult after 1983, with the growth of the resistance. In an effort to contain the Contras, the army was forced to reconstitute some of the best of its conventional forces as special-forces units—a move which absorbed much of Nicaragua's professional cadre, particu-

larly officers and NCOs. As we have seen, as part of this reorientation, most of the army's armor, artillery, and mechanized forces were brought together in the RAM, in an effort to preserve a conventional option. The balance of the EPS was left poorly trained, poorly led, and underequipped.⁶ Most of the remaining army is made up of conscripts on two-year tours, and many active units are manned with reserve fillers.

If the internal security threat posed by the Contras persists, the army will be forced to continue to pursue a strategy of territorial defense. This will mean, among other things, that the current emphasis on enhancing the army's counterinsurgency capabilities will continue. If present trends continue, additional forces could be expected to be trained in the *Cazador* or special light-infantry role. As long as these units continue to carry out the greater part of the fighting, they are likely also to retain first call on recruits, training, and material. Training and the development of special tactics against the Contras will continue to be a high priority. Despite some recent successes, EPS counterinsurgency forces show a great deal of room for improvement. They are only now beginning to operate as a coordinated and professional force. Their success in the past two years has been due as much to the disorganization and lack of coordination among the resistance as to their own improved training, discipline, and mobility. Should the Contras, with U.S. backing, become a more effective fighting force, the EPS will be forced to devote close attention and additional resources to the counterinsurgency mission.

This priority will continue to limit the size and effectiveness of Nicaragua's conventionally oriented military establishment. Even so, the army can be expected to augment its conventional force posture to the degree that it is able to do so. Any such expansion, however, will naturally require the continued cooperation of both Cuba (for training, technical, and logistical support) and the Soviet bloc (for arms transfers). Managua also faces a number of constraints—given competing priorities, a limited support base, and the time it would take to effectively absorb any major expansion in conventional arms and equipment—that will tend to limit the speed with which any such buildup could be carried out. Any major increase in Nicaraguan conventional capabilities will require both time and a significant

⁶As a general rule, discipline and basic skill levels within the EPS are quite low. Draft evasion and desertion continue to pose problems for the army. Nonelite units appear to continue to spend a great deal of time training new recruits to read, write, and operate within an organized and disciplined regimen. The EPS, like most revolutionary armies, has also come to play a role in "building socialism" through compulsory political education.

investment in human and physical capital. This cannot be accomplished alone.

By the standards of other Soviet Third World clients, the Nicaraguan armed forces still show a great deal of room for growth. Since 1979, the Sandinista conventional buildup has proceeded roughly along the lines of that of other Soviet client armies. If this trend continues, and there is every reason to believe it will, we can expect to see the EPS develop in the directions we have indicated below.

Air Forces and Air Defense

The most notable changes in Nicaragua's order of battle in the next few years are likely to occur in the Sandinista air force and in the area of air defense. This is likely to involve the introduction of the first jet fighters or attack aircraft and an expansion of Nicaragua's ground-based air-defense capabilities through the introduction of more and better SAMs.

High-Performance Aircraft. To evade the U.S. ban on "high-performance aircraft" and in an effort to acquire an air-defense and light-attack aircraft, the EPS will probably attempt to acquire the Czech L-39 trainer, or some comparable low-performance jet fighter. The incentive and opportunity to do so will grow as the Hondurans begin to receive the F-5. In the long run, however, we should expect the Sandinistas to attempt to circumvent the U.S.-imposed ban on MiG-21s.⁷ Given that Nicaraguan pilots received MiG flight training in Eastern Europe and Cuba, it is apparent that Soviet plans for Nicaragua originally included the transfer of MiG-21 jet fighters. While such a transfer would not have been unusual—many Soviet clients are equipped with these and other more advanced aircraft—it would have represented a major shift in the air balance in Central America. It is not clear at this time how and in what context the Soviet Union and Nicaragua would attempt to evade this restriction. Past Soviet practices elsewhere in the Third World would, however, suggest that they would try to do so gradually, by slowly introducing aircraft of marginally greater sophistication. The anticipated introduction of L-39 Czech trainers might be considered to be a move in this direction.

Combat Helicopters. We could also expect to witness a major increase in the Nicaraguan helicopter inventory. This would involve

⁷While the definition of what precisely constitutes a "high-performance" aircraft has been left ambiguous, the concept appears clear in principle. Any move on the part of the regime to acquire designated jet fighter or ground-attack aircraft could be construed as a challenge to this policy.

the acquisition of a large number of additional Mi-8 and Mi-17 medium-lift helicopters and, in particular, the deployment of additional Mi-24 gunships. No effort to date has been made to restrict the number of Soviet-made helicopters that might be transferred to Nicaragua, and even a large expansion in this inventory could presumably be carried out without U.S. interference. The Mi-24 has already had an important impact on the Nicaraguan war effort, providing the Sandinista air force with a degree of mobility and firepower it did not previously possess.

While the Mi-24 is well suited for counterinsurgency operations, it could also pose a serious challenge to any conventional force that is not equipped with an effective air-defense capability. Operating from such airfields as Esteli, La Rosita, Waspam, or Puerto Cabezas, the 160-km combat radius of the Mi-24 would allow it to range well across the Honduran and even the Salvadoran borders. Jungle airstrips in the south, such as those in the vicinity of San Juan del Sur, San Carlos, and San Juan del Norte, would provide it with a similar capability against Costa Rica. The Mi-24, particularly if it is deployed in quantity, has a significant offensive potential. Within limits, and in a low-threat environment, it can serve as an effective substitute for a fixed-wing ground-attack capability.

Air Defense. The absence of an adequate air defense network is currently a major weakness. The radar and communications infrastructure needed to support the development of such a system, however, is already either in place or under construction. Any move to establish a national air-defense network could easily be justified as a natural and necessary response to the violation of Nicaraguan airspace by the small but growing Contra air force. The recent destruction of the C-123 carrying Eugene Hasenfus deep in Nicaraguan territory could certainly be used to substantiate this point. The ability to resupply Contra units in the field by air is critical if the resistance is to successfully extend its operational area beyond the Honduran and Costa Rican borders. Stopping these flights will be an important priority for the Sandinista army.

Any future buildup of conventional arms, therefore, will almost certainly entail a significant expansion in present air-defense capabilities. The recent introduction of the first SA-3s is a first step in this direction. Developments in this area will also naturally proceed in conjunction with the increased value of Nicaraguan military assets. The development of Nicaraguan air defenses could be expected to move forward along two separate tracks: the defense of fixed sites, such as airfields, communications facilities, and other high-value installations,

and the acquisition of better organic defenses for the Nicaraguan ground forces. Where the latter would probably be oriented against the capabilities of local opponents, the former is likely to be designed against a prospective U.S. air threat.

The most significant development, therefore, is likely to occur in the area of fixed-site defenses. This is likely to involve the deployment of a variety of defensive systems to project a layered defense against an array of possible air threats. Possible systems include the SA-3, SA-6, SA-8, and SA-9. All of these systems have already been introduced in large numbers elsewhere in the Third World. If large numbers of radar-controlled SAMs are deployed, Soviet and/or Cuban personnel may be needed to man and maintain these sites.

Ground Forces

In the case of the Nicaraguan ground forces, any conventional buildup can be expected to focus on enhancing the firepower and mobility of present army units rather than the mobilization of large numbers of additional forces. We can expect to see similar improvements made in units controlled by the General Directorate of State Security.

Limited Personnel Expansion. While Nicaraguan military manpower has increased methodically every year since 1979, the most notable growth in recent years has been among the reserves and militia. The regular army is already virtually larger than those of any two of Nicaragua's neighbors combined and is probably approaching its optimal limits. Although we might expect to see some growth in active forces, any major increases at this point would be economically taxing without resulting in any appreciable increase in real capability.

Qualitative Improvements. There is clearly room for improvement, however, in the areas of training, logistical support, sustainability, and combat readiness. Improvements in these areas would tend to add more to the fighting qualities of the standing army than a simple, unsupported expansion in numbers. As we have suggested, significant improvements can also be expected in equipment inventories. More attention, in particular, will probably be given to improving ground-force mobility by acquiring additional motorized and mechanized transport. Finally, we would expect to see a small increase in armor inventories, the eventual introduction of the T-62 series tank, additional armored troop carriers, reconnaissance vehicles, and a substantial increase in light, medium, and heavy indirect-fire weapons.

Naval Forces

It seems unlikely that even under a scenario of accelerated buildup, we would see any meaningful increase in the size of the Nicaraguan navy. Given current priorities, the economic burden that would already be incurred by an accelerated military expansion, and the level of effort that would be involved in carrying out this task, it seems likely that any major improvements will be deferred until the distant future. While it would not be surprising to see a small increase in the current inventory of patrol craft, perhaps culminating in the introduction of the first missile boats (e.g., Osa fast-attack craft), it will be well over a decade before Nicaragua is likely to acquire a usable blue water capability. Any move in this direction at the present time would be costly, would divert resources and trained manpower from more pressing military tasks, and would provide few dividends in the way of enhanced security. From the Soviet perspective, open ocean naval vessels also have the disadvantage of being highly visible. Any military advantage that might be gained by transferring such assets to the Nicaraguan navy is sure to be outweighed by the political repercussions that would flow from this decision. It is easy to imagine that such an action would also draw down additional U.S. naval forces into the lower Caribbean, a move that could have the perverse effect of lowering rather than enhancing Nicaraguan security.

CONCLUSION

The Nicaraguan armed forces are clearly in a state of flux, as the army attempts to adapt to the challenge of waging an unconventional war against the Contras. The demands of the war have led to a number of organizational changes within the EPS that have only recently come to light. This, as we have seen, has been most clearly manifest in the army's effort to establish a body of special counter-insurgency forces. At the present time, these forces appear to be receiving the bulk of the army's attention. They are also engaged in most of the real fighting. Whether the EPS continues to develop in this direction or resumes its earlier efforts to establish a conventionally oriented military force will depend largely on the state of the war. Continuing changes in the army's force and command structure, as well as better information concerning EPS tactics, operational style, and skill levels, will require continuing reappraisal.

For the foreseeable future, the pace and character of Nicaragua's conventional military buildup will remain constrained by the speed with which the EPS is able to absorb new shipments of conventional

arms, the competing demands of the current counterinsurgency campaign against the Contras, and the implicit threat of a U.S. response. Within these limits, however, there is considerable room for growth. This is true, in particular, in the air and air-defense forces. We can expect to see a number of important improvements in these two areas in the coming years. Additional improvements can be expected in the firepower and mobility of the ground forces, but these are likely to proceed in a more measured and linear manner. The army's efforts over the next few years are likely to continue to be focused on strengthening its ability to contain the Contras rather than resuming its earlier efforts to build a conventional fighting force.

The pace of the Sandinista buildup could be expected to increase substantially, however, should the army succeed in finally defeating the resistance. This would have the effect of freeing large numbers of the army's best troops, now assigned to *Cazador* and special light-infantry units, to "rejoin" the conventional arms. This could roughly double the number of professional soldiers available for conventional assignment and would increase the demand for an expansion in the army's inventory of conventional weapon systems. The military balance in Central America is quite fragile. The armed forces of the region are small, poorly trained, and ill equipped. Costa Rica fields no army at all. In the long run, any major expansion in the number of EPS conventional units, if supported by a corresponding increase in Soviet-bloc arms, could seriously destabilize the current regional balance by providing the Sandinistas with a viable offensive potential against their immediate neighbors.

VI. SOVIET ACCESS OPTIONS IN NICARAGUA

Since the Nicaraguan revolution, the Soviet Union has pursued the dual policy of underwriting the Sandinista regime while maintaining a low profile in the lower Caribbean. The purpose of this policy has been to ensure the long-term success of the new leadership, reduce the risk of an American counterintervention, and minimize the political costs associated with a possible Sandinista collapse.

Soviet policy toward the Sandinista regime appears to rest on three operating principles: First, the Soviets have sought to keep their in-country presence to a minimum. Indeed, given the pattern of Moscow's activity elsewhere in the Third World, the Soviets are conspicuous by their absence in Nicaragua. During the early part of the decade there were an estimated 200 to 300 Soviet military personnel stationed in Nicaragua. Recent reports suggest that this number may have since been reduced to as few as 40 to 50 military advisers.¹ While the Soviet advisory role is a significant one, their limited presence has allowed them to downplay the nature of their current involvement. This has had the desired effect of defocusing the debate over current U.S. Central American policy.

Second, the Soviets have sought to make the maximum use of military intermediaries. Cuba has played a particularly important role in this respect. At the present time there are an estimated 2,000 to 2,500 Cuban security advisers in Nicaragua. These personnel are concentrated in the Defense and Interior Ministries and in the armed forces, where they operate throughout the chain of command down to the company level. The Cuban presence has been supplemented by a small number of East German and Bulgarian personnel who have played a prominent role in developing the country's communications network and in establishing and helping to administer the regime's internal security apparatus. The pattern of these activities is similar to that observed among Soviet client states elsewhere in the Third World.² Through the use of intermediary forces, the Soviets have been able to provide a critical measure of support to the Sandinista regime without

¹There are also reported to be several hundred Soviet civilian advisers stationed in Nicaragua involved in non-security-related tasks.

²See Gordon H. McCormick, "Proxies, Small Wars, and Soviet Foreign Policy," in John H. Maurer and Richard H. Porth (eds.), *Military Intervention in the Third World: Threats, Constraints, and Options*, New York: Praeger, 1984, pp. 37-66.

incurring the costs and risks that are generally associated with a direct in-country presence.

Third, while maintaining a low profile, the Soviets have sought to assure the survival of the Sandinista regime by providing large-scale material assistance. The scale as well as the nature of this support has expanded significantly over time, and has been augmented by military grants from other Soviet-bloc and other allied states, including Algeria, Libya, and Vietnam. Since 1979, Soviet military deliveries to Nicaragua have been estimated to be worth approximately \$2 billion. An additional \$350 million to \$500 million has been spent on military infrastructure development. Soviet-bloc economic assistance in recent years has also grown. Aid grants and assistance credits have been made by the Soviet Union, Cuba, East Germany, Czechoslovakia, Bulgaria, and Libya. This aid package has exceeded \$700 million since 1979. Similar increases have been registered over the past seven years in Soviet-bloc/Nicaraguan trade.³

DIRECTIONS FOR THE FUTURE

In the immediate aftermath of the July 1979 revolution, Soviet decisionmakers appeared uncertain about the long-term prospects of the Sandinista leadership. Soviet observers had long before concluded that after the Cuban experience, the United States would never again permit a Marxist-Leninist party to come into power in Latin America. It now seems clear, however, that Soviet confidence in the stability of the regime has grown over the past seven years. U.S. opposition to the Sandinistas has proven to be more diffuse and certainly less effective than was probably expected, the regime is steadily consolidating its control over the political and economic life of the country, and the military threat posed by the Contra insurgency has, at this writing, been contained to manageable levels.

While the future of the Sandinista regime looks notably brighter than it did in 1979, actual Soviet policy toward Nicaragua has remained cautious. For the reasons noted above, Moscow has continued to downplay its links to Managua and has clearly avoided engaging in any activities that might provoke the United States into either moving against the Sandinistas directly or stepping up its support for the opposition. This policy is almost certain to continue for the immediate future. Over the long run, however, it is almost equally certain to change. At the present time, Soviet options in Nicaragua remain

³Roger Fontaine, *The Washington Times*, June 15, 1986.

constrained by U.S. sensitivities and Managua's continuing vulnerability to U.S. pressure. Should the United States come to accept the presence of the Sandinista regime, and the Sandinistas continue to consolidate their rule, Soviet options will gradually increase. Having once acknowledged the legitimacy of the current leadership, it will prove to be difficult if not impossible to prohibit the Sandinistas from engaging in whatever international associations they deem appropriate. The way will have been cleared at this point for an expanded Soviet presence and the first Soviet use of Nicaraguan facilities for military purposes.⁴

Soviet access to Nicaraguan facilities might develop profitably in a number of different directions. By augmenting or complementing Soviet military assets based in Cuba, access to Nicaraguan facilities would enable the Soviet Union to begin establishing a military "center of gravity" in the Caribbean Basin. Importantly, Nicaraguan access would also permit the Soviets to operate in strength and for extended periods in the eastern Pacific, a capability which they do not currently possess. A presence of this nature, by requiring a counterweight, would work to tie down U.S. assets designated for other theaters, cast a long shadow over the politics of the region, and provide the Soviets with a number of additional avenues of opportunity in the event of war.

Should the Soviet Union proceed to develop basing facilities in Nicaragua, we would expect this to begin in an oblique manner with a gradual expansion in the character of the local Soviet presence. In the short run, the pattern of this development is likely to resemble current Soviet access arrangements with such states as Syria, Libya, and Angola. Under this approach, the Soviets would continue to attempt to maintain a low profile in the region through the use of existing or expanded Nicaraguan installations or the construction of new facilities under at least nominal Nicaraguan control. No effort would be made immediately to construct large-scale, permanent facilities over which the Soviets might appear to have exclusive sovereignty. Even the Soviet use of Nicaraguan facilities and installations could be expected to expand and diversify slowly over time, permitting Soviet planners to monitor and possibly avoid any U.S. reaction to these developments. In the case of naval access, the Soviets might attempt to counter any U.S. protest by invoking the principle of "freedom of the seas." This move would be reminiscent of U.S. operations in the Black Sea along the Soviet coast and against Libya in the Gulf of Sidra. An approach of this nature would require a permissive U.S. internal environment,

⁴See Morris Rothenberg, "Latin America in Soviet Eyes," *Problems of Communism*, September-October 1983, pp. 1-18.

but if staged slowly, might be carried out under a restrictive (albeit passive) U.S. policy toward the Caribbean area.

Air Access

A fairly wide range of air basing services are available at the Augusto Sandino International Airport. At the present time, this is the principal installation of the Nicaraguan air force. This facility will soon be augmented by the Punta Huete military airbase, currently under construction on the northern shore of Lake Managua. Secondary facilities are under construction or have recently been upgraded at Montelimar, Puerto Cabazas, Esteli, Bluefields, and La Rosita (see Fig. 3). These facilities are supported by an early warning/ground control-intercept (EW/GCI) capability reaching into the Pacific Ocean and the Caribbean, as well as parts of Honduras, El Salvador, and Costa Rica. These installations, as well as all major airfields, are protected by a range of anti-aircraft defenses.

Air Reconnaissance. The Punta Huete airbase in particular, which is being constructed with Soviet and Cuban assistance, would provide an ideal base for Soviet air operations in the lower Caribbean and eastern Pacific. The facility features a 10,000-ft runway capable of handling any aircraft in the Soviet inventory. In times of peace, this facility would be well-suited for reconnaissance and intelligence operations. In time of war, Punta Huete could be used to control the region's air and maritime access routes. When used in conjunction with Soviet facilities in Cuba and Angola, access to the Punta Huete airbase would enhance the Soviet Union's ability to disrupt critical sea lines of communication in the Caribbean and central and south Atlantic.

The most immediate value of maintaining a base at Punta Huete will be in the area of air reconnaissance. Since 1972, the Soviets have regularly conducted air reconnaissance and intelligence flights along the U.S. east coast, just outside the territorial limit. These flights are conducted by Tu-95 aircraft flying between Soviet airbases on the Kola Peninsula and the Cuban airfield at San Antonio de los Baños. This facility is also used as a refueling point for reconnaissance aircraft en route to Angola. Until now, range and overflight restrictions have prohibited the Soviets from staging similar operations along the west coast, although such flights are conducted regularly around Alaska and the Aleutian Islands. Access to Nicaragua would change this, providing them with the opportunity to conduct Tu-95 operations between their bases in Siberia and the airfields at either Punta Huete or Sandino International. Such flights can be expected to begin within the next two to three years.

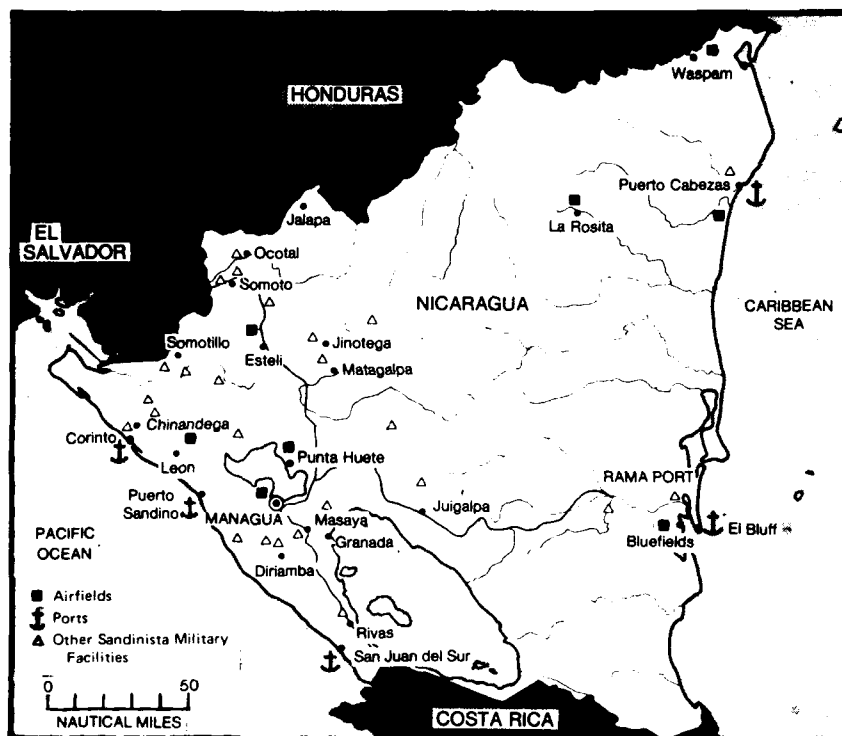


Fig. 3—Major Nicaraguan military facilities

Incremental Routinized Access. Any effort to secure access to Nicaraguan airbases would likely take place in a deliberately staged or sequential manner. It could be expected to begin innocuously and develop gradually over time. By way of example, the Soviets might begin to use the newly constructed Punta Huete facility as a stopover for Tu-95 reconnaissance flights. What might begin as the occasional flight would grow to become a predictable routine. Rather than remain a transit point for aircraft staging out of Cuba, Angola, or the Soviet Union, the Punta Huete facility would eventually become an operations center in its own right, featuring a barracks for resident aircrews, more permanent maintenance facilities, and an assigned reconnaissance squadron. Over time, the types of Soviet aircraft using this facility would be diversified to include the first combat aircraft, a move that

might be signaled by the arrival of the first Soviet-controlled "air-defense" fighters.

Naval Access

Any major expansion of Soviet naval activities or options in the Caribbean would have to be closely tied to a significant growth in current Soviet access to local shore or offshore facilities. This would mean either an expansion in the Soviet use of Cuban facilities—an option which would tend to be constrained by precedent, tacit understanding, and the protocols of the 1962 Cuban missile agreement—or a major increase in the Soviet military presence in Nicaragua.

In contrast to the U.S. Navy, which is capable of operating effectively far from its base of support for extended periods of time, the Soviet fleet remains tied to the shore in a number of important respects. This fact is reflected in its force structure, methods of control, logistics arrangements, and normal operating procedures.⁵ As a general rule, Soviet naval forces stay at sea less, deploy closer to their logistical points of support, and spend a greater amount of down time in maintenance and overhaul than their U.S. counterparts. Any extended deployment in strength, particularly one that would bring the fleet within the striking range of forces based in the continental United States, would require substantial logistical support. This could be provided only by forward-based facilities, in this case, facilities located somewhere within the Caribbean sea or on the Pacific coast.

At the present time, Nicaragua has two ports that are sufficiently developed to host Soviet blue water naval forces on a limited basis: the Caribbean port of El Bluff and the Pacific port of Corinto. Secondary port facilities are located at Puerto Cabezas, Puerto Sandino, and San Juan del Sur. All of these facilities, however, suffer from a number of drawbacks which have severely limited their immediate utility to the Soviet Navy.

Shallow Waters. The most serious constraint has been harbor depth. Even the Corinto facility, which is the largest port in Nicaragua, is not able to berth vessels with a draft of over 7.0 meters. Other harbor depths range between 6.5 and 4.0 meters. No natural deep water facilities are available anywhere in the country. Only a selected range of Soviet naval vessels, therefore, are presently able to dock at Nicaraguan ports. This problem is particularly acute on the Caribbean coast. The largest port facility there, El Bluff, near the

⁵Norman Friedman, "U.S. vs. Soviet Style in Fleet Doctrine," in *Non-standard Forms of Naval Warfare*, Hudson Institute, HI-2351-RR, October 31, 1975, pp. 64-84.

town of Bluefields, was until this year restricted to handling vessels of 3.5 meters draft and below. This placed it off limits to every oceangoing vessel in the Soviet naval inventory. Most naval vessels using this facility would be forced to lay offshore, limiting their access to shore-based services and reducing El Bluff's potential as a naval base or strategic port.

Inadequate Support Facilities. Even if harbor access were not a problem, available services have been in short supply. Repair services, offloading and storage facilities, and other accommodations commonly associated with modern ocean ports are generally lacking. Once again, the most extensive services are available at Corinto, on the Pacific coast. Even this facility, however, offers little in the way of ship maintenance and repair. There is not a dry-docking facility, for example, anywhere in the country, a factor of some importance if the Soviets were ever to consider using Nicaragua as a permanent base of naval operations. While forces deployed in the Caribbean might have ready access to Cuban repair works at Cienfuegos, this would not be the case for any Pacific-based force. Access to Cuban facilities would require the Soviets to transit the Panama Canal, which by the rules governing the canal zone, would subject them to internal inspection.

Until recently, improving Nicaragua's naval infrastructure has not appeared to be an important Soviet priority. This may have changed, however, over the past year. Recent reports suggest that Soviet, Cuban, and East European crews are beginning to expand and upgrade at least three of the country's five ports: Corinto, El Bluff, and Puerto Cabezas. The largest effort is being made at Corinto and El Bluff, where work is under way to turn both facilities into deep water harbors. According to one report, the El Bluff facility may have already been dredged to a depth of 9 meters, with plans calling for an eventual depth of 20 meters. Other improvements are being made to expand current docking and repair facilities, breakwaters, and fuel and dry storage capacity.⁶ While the immediate objective of these efforts is probably to expand the commercial and civilian applications of these ports, as well as to expedite the delivery of arms, this operation will have the side benefit of increasing their value as a possible port of call for the Soviet fleet. This depth would provide access to virtually any ship in the Soviet fleet, including nuclear submarines, which generally require very deep water berthing.

Protective Anchorages. As an intermediate measure, or to avoid the costs of constructing a permanent base, the Soviet Navy could move to establish a protected anchorage in Nicaraguan territorial

⁶Alfonso Chardy, *Miami Herald*, June 30, 1986.

waters, an option which they have employed frequently in the past when shore-based facilities have not been available. This alternative would allow the Soviets to sidestep the problem of harbor depth, while still providing them with some access to local port facilities. In the parlance of the Soviet fleet, such an anchorage is known as a "floating rear," and might feature a repair ship, a destroyer or submarine tender, a barracks ship, a supply barge, and even a floating dry dock.

Floating bases of this type have at one time or another been established at the Egyptian ports of Alexandria and Mersa Matruh, the Syrian port of Tartus, the Somali port of Berbera, and elsewhere in the Third World. In conjunction with associated shore-based facilities, for access to fuel and water, dry stores, ammunition storage, etc., the anchorage concept has provided the Soviets with an expedient means of sustaining a naval presence in areas where they might not otherwise have access to the necessary logistical support. Such a facility could be established relatively quickly and might be expected to generate less political fallout than the establishment of a more permanent naval presence ashore.⁷

Nuclear Support

One Soviet option which, while remote in the near term, could become a problem in the future, is the possibility that Moscow might attempt to use Nicaragua as a nuclear weapons storage or servicing site, or as an expedient base for nuclear-armed surface combatants, cruise-missile submarines (SSGNs), or even Yankee-class SSBNs. There are at least two cases which might serve as a precedent for such an action: the Soviet attempt to build a nuclear submarine base at Cienfuegos, Cuba, during the early 1970s, and the apparent construction of a "missile storage and handling facility" capable of servicing tactical nuclear weapons at Berbera later in the decade.

Nuclear Weapons and the Soviet Navy. The possibility that Nicaraguan facilities might be used to support Soviet nuclear-capable naval forces is possibly greater than is commonly assumed. Virtually all Soviet blue water forces are designed to conduct nuclear operations and deploy on patrol with large nuclear loadouts. Despite efforts over the past fifteen years to upgrade the conventional capabilities of the fleet, the Soviet Navy remains incapable of conducting protracted conventional operations and has consequently retained its traditional

⁷See the discussion by Richard Remnek, "The Politics of Soviet Access to Naval Support Facilities in the Mediterranean," in Bradford Dismukes and James McConnell (eds.), *Soviet Naval Diplomacy*, New York: Pergamon Press, 1979, pp. 357-403.

nuclear focus.⁸ This is true of both the surface and submarine fleets. While this need not involve "strategic" systems, or even the establishment of designated shore facilities, any major use of Nicaraguan facilities by the Soviet Navy is almost certain to play a role in Soviet naval nuclear planning.

The Absence of a Binding Prohibition. There is an important difference between the cases of Cuba and Nicaragua. The 1962 accords prohibiting the placement of offensive weapons in Cuba, though invoked at the time of the Cienfuegos incident, would not apply to the deployment of Soviet nuclear-capable forces in Nicaragua. While it might be argued that such an action would violate the spirit of the Kennedy-Khrushchev accord, it would appear not to violate the letter of the agreement. Such a loophole might therefore provide the Soviets with the opportunity to support their own "forward-based systems" from Nicaraguan-based military facilities. Given the political sensitivity of such an action, we can assume once again that any move in this direction would be approached cautiously. It is unlikely that Moscow would risk provoking a potentially dangerous incident over this issue—perhaps leading to a replay of the Cuban missile crisis—by attempting to present the United States with an obvious challenge.

The promise of Soviet caution seems to be borne out by their behavior during the Cienfuegos incident, where Soviet probing to determine the limits of the 1962 accord was carried out in a responsible, if carefully orchestrated manner. The Soviets tested the limits of U.S. tolerance by sending, in sequence, a conventional attack boat, nuclear-powered cruise-missile submarine, and a diesel-powered ballistic-missile submarine into the Cuban ports of Cienfuegos, Antilla, and Havana. In all, some seven nuclear-capable Soviet submarines visited Cuban ports. The purpose of this action seems to have been to establish a nuclear submarine base at Cienfuegos. In the end, of course, in response to U.S. protests, construction on the Cienfuegos facility was halted and visits by Soviet nuclear submarines eventually trailed off. In the meantime, however, Moscow sought to gradually undermine the 1962 agreement and test U.S. resolve by slowly escalating the nature of its local presence. Should the Soviets decide sometime in the future to use Nicaraguan facilities for nuclear support, they could be expected to behave in a similar manner.

⁸See Gordon H. McCormick, "Nuclear Weapons and Soviet Naval Planning," *Nuclear, Chemical, and Biological Defense and Technology International*, April 1987.

CONCLUSION

Generally speaking, the basing infrastructure that would be required to begin supporting the use of Nicaraguan facilities by the Soviet armed forces is either in place or under construction. This is particularly evident in the case of air facilities, where a great deal of effort and resources are being expended on building or extending runways and constructing hangars, revetments, storage and repair facilities, and communication and intercept stations. The only area in which substantial progress has not yet been made is that of air defense. Improvements in this area, however, can be expected soon and would certainly precede any Soviet (or Cuban) attempt to make extensive use of these facilities.

In the naval area, Nicaragua already has the means to host Soviet warships on a limited basis. In this respect, either the Pacific or Caribbean installations at Corinto and El Bluff might be used as a port of call or protected anchorage for elements of the fleet, to effect minor repairs, to take on supplies, or to provide Soviet crews with shore leave. Should the Soviets choose to begin exercising this option, they might be expected to ease into it by first sending through fishing or oceanographic vessels, to be followed soon after by the first warship.⁹ With limited improvements, including additional docking and storage facilities, a dry-dock facility, specialized machine shops, and crew accommodations, these facilities could be quickly expanded to support a much larger naval force than is the case at the present time.

Under the assumptions laid out above, we can expect the Soviets to begin to exercise the access option sometime early in the second decade of Sandinista rule. It should not be surprising in this respect if Nicaragua evolves in a manner similar to Cuba, becoming a secure base of Soviet operations in the Caribbean Basin. As noted earlier, additional options are provided by the fact that Nicaragua also offers a Pacific coast, giving the Soviet fleet a potential logistical point of support in the eastern Pacific.

In the short run at least, we can expect the Soviets to be content with using (upgraded) Nicaraguan facilities rather than establishing a permanent basing structure that might be identified as being owned and operated by and for the Soviet Union. To do otherwise would risk prompting an American response without providing any appreciable increase in local capabilities. In the long run, Soviet basing decisions could well become less responsive to local U.S. reactions and more

⁹The Soviets are reported to have already begun joint oceanographic research operations with the Nicaraguans in both the Atlantic and the Caribbean. It is not known whether Soviet research vessels have yet made use of Nicaraguan harbor facilities.

directly keyed to Soviet political and military interests in the region. As the Sandinista regime becomes a permanent fixture and as the possibility of a U.S. intervention in Nicaragua subsides, Soviet military options in the country will gradually increase.

VII. AN ALTERNATIVE ASSUMPTION: A CONTADORA-TYPE TREATY

The preceding projections assume that the regional conflict environment will continue much as it is today. The Sandinista regime will consolidate its power, with Soviet and Cuban assistance, relatively unhindered by the Contras or the United States. Central America, meanwhile, will remain largely insecure.

One event that might significantly alter the future would be the approval of a Contadora-type treaty. This is not a likely event—the Contadora process has often been on the verge of permanent collapse. At the same time, that process has demonstrated a tenacious ability to revive and draft another treaty for possible signature. A Contadora-type treaty could profoundly affect U.S. assessments of Nicaragua and the rest of Central America. For this reason, we have examined how the security commitments under such a treaty might modify our projections.¹

THE PRESENT SITUATION

The Contadora process, led by the Contadora Group (Colombia, Mexico, Panama, and Venezuela), commenced in 1983 and has offered four versions of a draft treaty called the "Contadora Act for Peace and Cooperation in Central America."² The most recent draft was proposed at the meeting of the Contadora Group in June 1986. All the drafts have contained security, political, and economic commitments, although over time the emphasis has shifted from security to political commitments.

¹Discussions with John Hamilton, David Randolph, and Gianni Snidle, of the U.S. Department of State, provided valuable information for the analysis in this section.

²Background discussions expressing varied viewpoints on the Contadora process include Juliet C. Antunes, "Mexico and Contadora," The Senior Seminar, Foreign Service Institute, U.S. Department of State, 1986; Bruce Michael Bagley, "Contadora: The Failure of Diplomacy," *Journal of Interamerican Studies and World Affairs*, Fall 1986, pp. 1-32; Jack Child, "A Confidence-Building Approach to Resolving Central American Conflicts," in Jack Child (ed.), *Conflict in Central America: Approaches to Peace and Security*, New York: St. Martins Press, pp. 117-135 (forthcoming); Tom J. Farer, "Contadora: The Hidden Agenda," *Foreign Policy*, Summer 1985, pp. 59-72; Roger Fontaine, "Choices on Nicaragua," *Global Affairs*, pp. 101-114; R. Bruce McColm, "Democracy and Peace in Central America," *Freedom at Issue*, May-June 1986; and Susan Kaufman Purcell, "Demystifying Contadora," *Foreign Affairs*, Fall 1985, pp. 74-95.

The Contadora process has made little progress since the June 1986 meeting. The draft was not signed, and the participating nations are not formally preparing a new draft. The Contadora Group and its Support Group (Argentina, Brazil, Peru, and Uruguay) have instead focused on just keeping the process alive diplomatically as a potential option for the future.³

Meanwhile, the nations comprising Central America's "Core Four" (Costa Rica, El Salvador, Guatemala, and Honduras) remain in serious disagreement with Nicaragua on various issues central to the Contadora process, including the definition of democracy and the criteria for arms limitations. The Core Four have continued to discuss the elements for a Contadora treaty, but they also began taking important independent initiatives during 1986 and 1987.⁴ These initiatives have placed greater emphasis on the political commitments such a treaty should entail than on the security commitments, on the assumption that arms control and other military commitments will be workable if Nicaragua's internal political order becomes clearly democratic, but not if it retains its Marxist-Leninist bent.

This and the fact that many members of the Contadora Group and its Support Group have new democratic regimes have helped to focus attention on the need to strengthen the political sections of a draft treaty. But discussions along these lines have not proceeded well with Nicaragua. To make matters worse, personal tensions have developed between the presidents of Honduras and Costa Rica and President Ortega since Nicaragua filed suits against those two countries in the International Court of Justice, demanding that they prohibit the Contras from operating on their soil and demanding compensation for damages caused by Contra attacks.

Once again, this does not mean that prospects for a Contadora-type treaty are defunct. As U.S. support for the Contra operations takes effect, it is reasonable to expect that at least one more major effort will be made to negotiate such a treaty—whether because of a new initiative by the Contadora Group, through the independent action of the Central American nations, or by the United States or an agency such as the Organization of American States.

³The effort to keep the process going was most recently exemplified by a January 1987 trip through Central America by the eight foreign ministers from the Contadora Group and Support Group nations, accompanied by the Secretary Generals of the United Nations and the Organization of American States.

⁴Notable among the initiatives are the May 1986 effort by Guatemala's President Vinicio Cerezo to establish a Central American Parliament and the February 1987 plan by Costa Rica's President Oscar Arias for a comprehensive strategy to end the regional conflict.

Far from having tried to "kill" the Contadora process and the negotiations option, as some critics have charged, the United States has worked on behalf of its own interests to keep that process alive, available, and on track toward producing a version that might ultimately be acceptable to the United States. Each succeeding draft treaty has been better than the prior version from the standpoint of U.S. interests—partly because of the attention the U.S. government has applied to the process.

Lofty Goals and Serious Problems

In general, Contadora continues to have lofty security, political, and economic goals for Central America. Its security goals—the focus of this analysis—have included the following:

- The end of any foreign military presence in the region, including military bases, advisers, and international military maneuvers (except for perhaps one a year).
- Stabilization of national military balances in the region, by halting military buildups, preventing the acquisition of advanced weapons, establishing ceilings for arms and troop strengths for each nation, and reducing force sizes.
- Prohibition of external support of irregular/insurgent forces and related arms trafficking across borders, and the prevention of support for terrorism, subversion, and sabotage.

The related political and economic goals include commitments to national reconciliation, political democracy, pluralism, judicial reform, and economic development.

According to the drafts, the attainment of these goals would not be assured by the signing of a treaty. Contadora remains a controversial negotiating process which, if it leads to a treaty, may then lead to further negotiations about arms limitations and other security commitments and the establishment of a special international commission in charge of verification and control. Thus, major problems are likely to arise in any effort to implement a signed treaty in the current Central American environment.

Some problems are inherent in the treaty itself. Some key terms (e.g., military balance, democracy) have not been defined clearly, nor is it clear how some goals (e.g., arms limitations) are to be implemented. Precision is still lacking as to exactly what weapons systems should be counted, how they should be counted, and exactly when and what arms

reductions would occur once a treaty is signed.⁵ There are serious doubts that the planned verification and control mechanism can be effective,⁶ and provisions have been lacking to assure enforcement and punishment in the event of violation.⁷ Constant international attention and pressure—an unlikely prospect—would be required to make a treaty work.

In addition, the past behavior of Marxist-Leninist regimes toward such treaties indicates that significant violation, evasion, and circumvention must be expected. It will be extremely difficult to carry out effective verification and control mechanisms in Nicaragua as the country's political system becomes increasingly closed.⁸ Furthermore, there is a worrisome possibility that Latin American governments, including those in the Contadora Group, may "walk away" after a treaty is signed, claiming a grand success and avoiding the verification problems the treaty may create for the United States and its Central American allies.

Finally, issues of geography and technology add further complications. The borders between Nicaragua and its neighbors pass through very rough, largely unpopulated areas. It is unlikely that the planned verification and control commission will be able to maintain a regular presence in such areas, or that it will have the advanced technology to perform remote surveillance. The commission may thus be unable to verify compliance, or to identify and document violations in such areas.

The key security problems have revolved around the terms affecting the Contras, military force reductions, and future regional arms balances. Because of these and other problems, the United States has criticized all the draft treaties and has not given its approval to any of them. In contrast, Nicaragua declared a conditional willingness to approve the September 1984 draft. It disagreed with the September 1985 draft. Then it indicated that it might agree to a revised version

⁵Despite improvements, the Contadora process has been much less precise in this regard than the Mutual Balanced Force Reduction (MBFR) treaty in Europe.

⁶A preliminary estimate, "Essential Elements of Effective Verification," released by the U.S. State Department in May 1986, reportedly claimed that a Contadora version of the Sinai Multilateral Force and Observers (MFO) system would cost \$9.2 million to start up and \$40 million annually thereafter, most of the cost being for land vehicles and helicopters. Some 1,300 permanent observers, spread among the five Central American nations, would be needed to supervise and police the implementation of a treaty.

⁷If Nicaragua or any other Central American country were caught in a serious violation, it would face little more than a loss of international prestige and a risk of the treaty being abrogated, unless effective sanctions are built into the treaty.

⁸Research by Stephen T. Hosmer, of The RAND Corporation, shows that the Soviet Union has systematically violated and evaded treaty commitments it has negotiated with the United States and other nations regarding Korea, Indochina, Laos, Vietnam, and Cuba.

of the June 1986 draft if its "14 points" (see below) regarding negotiations on arms and other military limitations were accepted.

Criteria for Limiting Force Levels

In addition to the general problems noted above, there are also problems with some of Contadora's specific objectives and proposals, in particular, the latest proposals for limiting military force levels in Central America. A long-time Contadora goal has been to halt, if not reverse, the growth of the local armed forces, stabilize the regional military balance, and prevent the introduction of advanced weapon systems that would qualitatively upgrade current capabilities (e.g., MiGs in the case of Nicaragua, perhaps F-16s in the case of Honduras). Prior to 1986, Contadora avoided the need to be specific about what such goals would mean in practice. However, as each country prepared for the June 1986 draft, greater efforts were made to clarify the prohibition against an expansion above current force levels and the requirement for some reduction.

Limiting Specific Weapons: Nicaragua's 14 Points. A major issue is the type of weapons systems to be limited, or even banned, within the region. There has been a generalized expectation that high-performance aircraft, heavy tanks, and heavy artillery should be among the systems to be limited, but no specific list has been agreed upon. Meanwhile, Nicaragua has insisted that it will not disarm and will maintain whatever military force level it deems necessary. According to the Sandinista leadership, a treaty should apply only to "offensive" weapon systems—a view that could leave Nicaragua free to keep and even enlarge its inventory of "defensive" systems.

On May 26, 1986, the Nicaraguan government listed 14 categories of weapons systems and forms of military presence and activity that it was willing to negotiate under Contadora.⁹ Nicaragua does not have some of the categories of weapons on the list (e.g., heavy mortars larger than 122mm, artillery larger than 160mm). The list does not include some categories that are important (e.g., smaller mortars and light artillery), and military manpower is ignored as a negotiable point. Hence, the list could not serve as a serious, realistic basis for negotiations, and it was not accepted by the Core Four. The discussions

⁹The "14 points" refer to all types of military airplanes, all types of military helicopters, military airports, tanks, heavy mortars larger than 120mm, self-propelled anti-aircraft cannons, 122mm multiple missile launchers, artillery larger than 160mm, self-propelled artillery, surface-to-surface missile launchers, warships more than 40 meters in length and of more than 100 metric tons displacement, international military maneuvers, foreign military bases, and foreign military advisers.

revolving around the list may have highlighted the continuing need to agree on which weapons systems should be banned; but Ortega's approach would have meant discussing his neighbors' arms inventories more than Nicaragua's own.

Limiting Overall Force Levels: The Factorization Method.

Another major issue concerns how to measure overall military force levels and set upper limits for regional balances. The key development here has been the innovative introduction of a "factorization table"—a method that assigns a numerical value to each type of weapon and manpower in a nation's order of battle (e.g., 100 points for each combat helicopter, 1 point for each regular infantry soldier); these values, when aggregated, provide a composite total value for that nation's military force posture. This method has some appeal in that it provides a rough way to examine the military balance in Central America, and a way for Contadora to set an upper limit on local force postures. One view, for example, is that no nation should have more than a 100,000-point posture—a limit that each of the Core Four is well under and Nicaragua is substantially over.¹⁰

This method presents a number of problems. To begin with, there is disagreement over the precise value to be assigned specific types of weapons or manpower units (e.g., combat helicopters versus transport helicopters that could be heavily armed, or special forces versus reserve troops).¹¹ Also, the method provides little measure of a nation's mobilization potential.¹² Moreover, the acquisition of advanced weapons that would introduce new capabilities into the region is not specifically proscribed,¹³ and particularly threatening weapon systems (e.g., Mi-24

¹⁰Estimates of the degree to which Nicaragua exceeds such a limit vary, depending on the estimate of its current force level and the value assigned to specific weapon and manpower units in the factorization table.

¹¹One view holds that it would be more useful to focus on limiting combat formations (e.g., specific battalions) than on manpower levels.

¹²Contadora has generally ignored the mobilization problem. Yet Nicaragua could pursue a range of measures for rapidly building up its forces should it want to become aggressive in the future. German behavior prior to World War II is instructive: To get around various restrictions imposed on its own military forces by the Treaty of Versailles, Germany did things like setting up civilian flying clubs that served to train military aviators and cycling large numbers of officers and NCOs through its regular military (then restricted to 100,000 men) in an effort to build the infrastructure and leadership pool needed for a later rapid mobilization.

¹³If some weapons are not proscribed (especially advanced fighters), it is likely that they would be acquired even under a restrictive factorization limit. Such weapon systems are attractive in this region as much for the institutional dignity they provide as for their operational capabilities. This symbolic significance is not captured by a factorization table. On the importance of institutional dignity as a motivation for arms acquisitions, see Luigi Einaudi, Hans Heymann, David Ronfeldt, and Caesar Sereseres, *Arms Transfers to Latin America: Toward a Policy of Mutual Respect*, The RAND Corporation, R-1173-DOS, June 1973.

Hinds) would not necessarily have to be reduced in Nicaragua's inventory. Finally, the factorization method would allow a military to rapidly restructure its forces, with potentially destabilizing consequences. This in turn would create a very difficult, if not impossible measurement and verification problem if a country kept reporting shifts in the numbers of weapons in its inventory.

In general, therefore, the potential effects of a Contadora treaty on military inventories and force levels in the region are far from clear. Yet there would clearly be binding restrictions on what the U.S. government could do in the region if such a treaty were to take effect. U.S. military and diplomatic options against Nicaragua, or in support of the Core Four, would be severely restricted. A key U.S. instrument, the Contras, would probably have to be disbanded, either as a direct result of a treaty or because the U.S. Congress would probably halt assistance in response to a treaty. And the U.S. military presence and military relations with its regional allies, especially Honduras and El Salvador, would be set back.

What about Nicaragua? How might such a treaty affect what it does in terms of the projections discussed above?

POTENTIAL EFFECTS OF A TREATY

Partly because the draft treaties and the negotiating process have been so long on principle and so short on specifics, there is no consensus about how a treaty might affect Nicaragua in terms of the four threat dimensions projected earlier in this study. Views vary widely. Pessimists, arguing that Contadora would not change the Sandinistas' behavior, claim that a treaty would not lower the upper limits of the Nicaraguan conventional buildup, nor would it lessen Nicaragua's support for regional insurgency in any significant respect. Optimists believe that sustained international vigilance, Nicaragua's domestic problems, and the potential rise of "moderates" among the Sandinista leadership might enable a treaty to compel dramatic reductions and lower the threat potential in the region.

Much would depend on whether such a treaty meets the three standards the United States has insisted on: comprehensiveness, simultaneity, and verifiability.¹⁴ Much would also depend on whether there

¹⁴Simultaneity refers to "the principle that all aspects of an agreement (including means to verify) should be agreed before any single commitment enters into effect. Conversely, no aspect of an agreement should enter into effect until all negotiations on all elements of a treaty have been completed and the treaty enters into effect." (Document #5733C.)

is an effective method for limiting—and, in the case of Nicaragua, reducing—both the acquisition of specific advanced weapons systems and the overall size and structure of each nation's armed forces.

A treaty that does not meet these standards would probably have little or no real effect on the projections described above. Nicaragua would have ample opportunities to violate and circumvent the treaty's terms, with little concern for detection, verification, or enforcement. This has been a crucial objection to the Contadora-type treaties.

But what if a treaty could meet these standards? Would it attenuate the threat potential that Nicaragua represents?

To address such questions, the following analysis assumes fairly effective standards only in regard to the security commitments that a Contadora-type treaty would probably entail, including limitations on arms acquisitions and force levels. The analysis does not assume that a treaty would achieve serious, democratizing changes in Nicaragua's internal political order. This assumption may seem inconsistent with the current trend (i.e., within the Contadora Group, the Support Group, and Central America's Core Four) toward requiring a strong section on political commitments. But it is consistent with the broader assumption of this study—that the Sandinistas will consolidate a regime that is not democratic. Moreover, the assumption is consistent with proposals that have occasionally emerged in the United States to negotiate a treaty that would focus strictly on the security problems Nicaragua may pose, but would leave the Sandinista regime free to build whatever internal order it preferred.

A treaty of this type could make life more difficult for the Sandinistas on each of the four dimensions discussed in the preceding sections, even if only in the short term. Specifically, such a treaty would probably:

- Affect the most visible aspects of the projections (especially the Soviet and Cuban military presence).
- Alter the "mix" of instruments at Nicaragua's disposal so that support for revolutionary subversion could become the strongest of the four dimensions.
- Slow the pace of development on all four dimensions, especially if Nicaragua uses the treaty to turn inward.

This does not mean, however, that Nicaragua would necessarily pose less of a threat to regional stability over the long run, or even that the threat would necessarily dissipate in the short run.

Limitation of High-Visibility Soviet and Cuban Activities

Despite the potential for violation and circumvention, a treaty (if accompanied by steady international attention and pressure) would probably reduce the highly visible aspects of Soviet and Cuban military involvement in Nicaragua—particularly large bases and ports, sophisticated arms transfers, and advisory personnel.¹⁵

This does not mean that Soviet, Cuban, and other Soviet-bloc activities in Nicaragua would pose a negligible problem for U.S. security. A treaty would not necessarily prevent episodic low-visibility reconnaissance and intelligence missions by Soviet air units (e.g., departing from Soviet soil, passing the U.S. west coast, refueling in Nicaragua) and naval units (e.g., resupply of ships off the Pacific coast by "civilian" tankers).¹⁶ Nor is it clear that a treaty would prevent port visits by Soviet warships that have nuclear weapons on board.¹⁷ A treaty would allow a number of advisers who are "performing technical functions installing or providing maintenance to military equipment" to remain in Nicaragua. Cubans and others who have been given Nicaraguan citizenship may fall outside the treaty's domain. Nicaraguan officers and forces could still be trained in Cuba and could undertake Soviet-sponsored "internationalist missions" in other parts of the world. Cuba could also be used for positioning and training on weapons (e.g., MiGs, missiles, ships) that Nicaragua might need in a crisis or if the treaty should cease to apply.

In sum, the Soviet Union could continue to make low-risk use of Nicaragua to enhance its regional and global military presence. And Nicaragua could continue to develop a qualitatively advanced and experienced military, under strong Soviet influence, that would be

¹⁵Moscow might find this temporarily expedient if, for example, it preferred not to have a highly visible presence in Nicaragua at this time and wanted the Sandinistas to pay more attention to political and economic consolidation. The argument that the Soviet Union lacks the resources to match increasing U.S. investments in the Contras appears to be incorrect; economic costs are so far not a decisive constraint on Soviet security policy toward Nicaragua.

¹⁶It is not only low visibility that is at issue here. It is unclear from the treaty drafts just how thoroughly Soviet military activities that did not require a base and that did not directly threaten the region would be prohibited. This grey area may leave room for low-profile Soviet support for reconnaissance and intelligence missions out in the Pacific, and possibly also antisubmarine warfare (ASW) missions.

¹⁷To some analysts, the speculation is far-fetched, but a Contadora-type treaty would not prevent Nicaragua from gradually constructing a sea-level canal. If this could be accomplished in the distant future, it might then be used as a justification for further building up Nicaraguan defense forces and for internationalizing the defense of the canal (with Cuban and Soviet units). Soviet warships would undoubtedly find such a canal useful for transiting between the Atlantic and Pacific oceans. At present, the Soviets have a right to transit the Panama Canal, but they do not do so because they do not want to submit to the required inspection.

available for missions abroad—all without clearly violating a treaty. A Contadora-type treaty might serve to protect Nicaragua so it could participate in adventures abroad, rather the way detente freed Cuba from worrying about a U.S. attack and enabled it to send combat forces to Angola and Ethiopia in the 1970s.

Alteration of the Mix of Nicaraguan Instruments and Options

Because a treaty would affect the most visible details of force posture, it would probably have more effect on Nicaragua's conventional military buildup than on covert support for external insurgency and subversion. Thus a treaty could alter the overall "mix" or profile that Nicaragua presents.

As discussed earlier, a key issue throughout the Contadora process has been force reduction and, related to it, the establishment of a stable military balance. In the U.S. view, this should mean the restoration of pre-1979 force levels. At the other extreme, Nicaragua has claimed it needs sufficient forces to enable it to defend against all its neighbors plus the United States—a view that could mean much larger forces than it already has.

In practice, given the assumptions made for this study, it seems likely that a treaty would cap the Nicaraguan military at the level existing at the time the treaty is signed, which would become the *de facto* upper limit.¹⁸ Some negotiated reductions might then ensue if the Soviets and the Sandinistas should decide to shift the emphasis to qualitative development. However, the prospect of a Contadora-type treaty resulting in a freeze rather than a reduction of force size may give Nicaragua an incentive to expand its forces to the desired size, then sign a treaty and turn to work on qualitative development.

If a treaty were to end the Contra threat, the Nicaraguan military might adjust its structure away from counterinsurgency to a more conventional force posture, perhaps to guard against the potential revival of a CONDECA¹⁹ type of alliance among its neighbors that might pose a conventional threat. Whatever a treaty's effect on the EPS's force posture, Nicaragua's covert support for revolutionary subversion and guerrilla warfare would probably be much less affected.

¹⁸Some observers believe that the current level would represent the upper limit because the Nicaraguan military is already close to its current absorptive capacity in any case. Our assessment, as discussed elsewhere in this study, is that this is not the case: There are no major internal constraints standing in the way of Nicaraguan force expansion.

¹⁹Central American Defense Council.

The revolutionary threat is said to be the most serious concern among strategic thinkers in Central America. Covert activity may be more essential than the conventional buildup for the Sandinistas' sense of their revolutionary mission, and it can proceed relatively undetected across certain border areas. It would not be particularly difficult for Nicaragua to continue—perhaps at a lower level than before—infiltrating personnel, shipping arms and other materiel across its border, and providing training and command, control, communications, and intelligence (C³I) support for the regional guerrilla network.²⁰ Guerrilla cadres from El Salvador and other countries (as well as terrorist operatives from Western Europe and elsewhere) could still reside in Nicaragua, existing openly as long as they did not violate a treaty's terms, or covertly without much risk of detection. Meanwhile, even without supporting the movement of arms, personnel, and supplies across a border—the kind of support for insurgency that would clearly be prohibited by a Contadora treaty—Nicaragua could work from a distance to quietly penetrate and radicalize moderate mass organizations in neighboring countries (e.g., in Honduras). Nicaragua could also become a key public location for the revolutionary solidarity groups and governments-in-exile that need a base from which to conduct propaganda and other important nonmilitary operations.

A Slowed Pace of Development

An effective treaty would probably require Nicaragua to slow its pace of development on all dimensions, and to reduce the level of development on the most visible dimensions. A key question is whether Nicaragua would then continue to maintain an outwardly aggressive posture, or whether it would turn inward. There is no solid answer to this question, but a few indications can be noted.

A slowed pace of military development may mean that Nicaragua has fewer *absolute* capabilities for aggression than before. But the United States and its allies would also be constrained, so it is far from clear that Nicaragua's *relative* capabilities for aggression would be diminished or would pose fewer risks if the Sandinista leaders choose to remain aggressive.

At the same time, we cannot discount the possibility that the Sandinista regime might opt to reduce the level of development on all the dimensions and turn inward to focus on economic recovery and development. This seems unlikely, because the Sandinistas are

²⁰It is unclear, however, whether guerrilla forces in El Salvador would require much external support if a treaty were to take effect.

Marxist-Leninists, and a high threat posture and strong military and security forces have helped them to consolidate their leadership, mobilize popular support, and engage Soviet and Cuban support. Nevertheless, a treaty that ended the external threat (i.e., the Contras) just might enable the reputedly more moderate elements to gain the upper hand for a while.²¹ Under such circumstances, Nicaragua's economic problems might become its biggest concern; and *taking time to improve* the economic situation might be seen by the Sandinistas as the key to consolidating popular support. Even though there may be little chance of the Sandinistas turning inward for economic reasons, such a change seems more likely to occur with a treaty than without one.

TWO SCENARIOS

These general effects imply two possible types of outcome for a Nicaragua whose security policies and military capabilities—but not its political order—are constrained by a Contadora-type treaty.

A Temporary Inward Turn

In the first scenario—the less likely of the two—Nicaragua shifts to an “inward strategy” of nationalist development for at least a few years. In response to a treaty, it reduces its high-profile military and security relations with the Soviet Union, Cuba, and other Soviet-bloc nations. Acquisitions of new weapons systems are postponed. The size of the Nicaraguan military is reduced slightly, and qualitative development is emphasized. In the absence of a Contra threat, the military places less emphasis on counterinsurgency and more on conventional defense missions. Little effort is made to support guerrilla groups in neighboring nations, and Salvadoran and other guerrilla cadres located in Nicaragua are kept inactive. However, Nicaragua maintains high international and regional visibility as a base of political and propaganda operations for revolutionary solidarity groups and for governments and leaders in exile.

Meanwhile, the Sandinista regime takes advantage of its apparent breathing space to consolidate further and to address economic problems. Economic recovery and development issues take priority over military development (possibly with Soviet approval). Some

²¹This would be all the more likely if a treaty could effectively compel the Sandinistas to make commitments to political democracy, economic development, and internal reconciliation. But as mentioned earlier, this is assumed not to be the case with the type of treaty under discussion.

differences of opinion surface among the Sandinista leaders, but none are serious enough to divide them or move them off their long-term Marxist-Leninist track.

In this scenario, Nicaragua may seem to pose less of a threat in the short term, but not necessarily in the long term. Indeed, the Sandinistas could later resume an aggressive "outward" strategy and, stronger than ever at home, become more dangerous than before—especially if demographic and other difficulties in the meantime create the awaited opportunities for subversion in surrounding countries.

Continued Outward Aggressiveness

In this more likely scenario, Nicaragua continues to emphasize an "outward strategy" consistent with its revolutionary and internationalist goals. MiGs and other advanced Soviet weapons are not transferred to Nicaragua, some Soviet and Cuban advisers are withdrawn, and work is slowed or halted on the construction of major airfields and naval ports. But Nicaragua continues to develop—quietly, slowly, and ambiguously—as a platform for Soviet military purposes, especially in connection with reconnaissance and intelligence missions on the Pacific side.

Nicaragua strongly resists negotiating any reduction in its force levels but makes some initial cosmetic moves. Radar and other light "defensive" items continue to enter the country slowly, possibly with some purchases from West European suppliers. Military officers and troops go to Cuba for training, including training on advanced weapons positioned there. Pro-Soviet officer cadres are consolidated. The territorial militia undergoes major qualitative improvements. The regular military and the militia are prepared to engage in internationalist missions, in emulation of (and possibly competition with) Cuba, and some forces are sent abroad on such missions. Support for regional insurgency and subversion is covertly maintained at as high a level as possible (although perhaps slightly lower than before). International terrorists are quietly provided safe haven, but nothing else.

In general, security and military issues continue to take priority over economic development. The Sandinista leaders emphasize at every turn that the United States pose an aggressive threat; this helps them to mobilize popular support, engage and maintain the Soviet commitment to the Sandinista regime, and prevent international isolation. The treaty does not lead to "opening" the Nicaraguan system in any way that jeopardizes the Sandinistas or provides the United States or other countries with access to local democratic forces.

CONCLUDING COMMENT

In sum, a Contadora-type treaty that would focus on security commitments, while having little or no effect on the type of political system a nation may develop, would not necessarily end or greatly limit the potential threat from Nicaragua. Thus, U.S. security interests would probably not be fully protected by a treaty that simply tried to limit Nicaraguan, Soviet, and Cuban security and military activities in Central America but left the Sandinista regime alone as an expansionist revolutionary state.

In reality, the Contadora process, the recent initiative by President Arias of Costa Rica, and related Central American efforts to negotiate a resolution of the conflicts in Central America have all moved in the past year to give priority to defining the political commitments such a treaty should entail (e.g., democracy). This direction is being pursued partly on the assumption that arms control and other security outcomes in the region will depend primarily on political outcomes. If this approach could lead to a substantial political reordering in Nicaragua, it could have marked (and presumably positive) effects on the projections described above; but an analysis of such effects is beyond the scope of this study.

VIII. BEYOND 1989

This study has dealt with one of the great uncertainties facing U.S. defense planners in the Caribbean Basin: What security challenges might Nicaragua pose to U.S. interests in Central America in the years ahead?

The study has assumed, as a point of departure, that the Sandinista regime will complete the process of political consolidation, with Soviet and Cuban assistance, relatively unhindered by the Contra resistance or U.S. policy, while Central America remains insecure. As noted at the outset, these assumptions were used because they are inherent in current trends, reflect the fears of our Central American allies, and provide a basis for reasonable future projections. The study also considers whether the Contadora treaty, as currently envisioned, would impose effective constraints on the Sandinista regime. Against this backdrop, and on the basis of current Nicaraguan policies, our analysis has focused on examining future Nicaraguan behavior in four areas: (1) support for revolutionary insurgency in the region, (2) support for international terrorism, (3) the development of Nicaragua's conventional military establishment, and (4) the ways in which the Soviet Union might attempt to use Nicaraguan bases and facilities to establish a military presence on the Central American mainland.

What conclusions emerge from this study? If our contextual assumptions hold true, Nicaragua is likely to pose a notably more serious and complex problem for U.S. interests in Central America than has heretofore been expected. This is likely to occur in three of the four areas addressed in this study. The only case where Nicaragua is not likely to pose a significant problem for U.S. regional interests is in the area of Managua's continued support for international terrorism.

A SOVIET CLIENT REGIME

Nicaragua is well on the way to becoming a Soviet client. The Sandinista leadership is moving methodically in this direction, albeit slowly, cautiously, and in a way that is somewhat distinct from the evolution of most other Soviet client regimes in the Third World. Nicaragua is classified by Soviet commentators as a "popular democratic" state, a term applied to the East European regimes during their period of transition to socialism in the late 1940s and early 1950s. Similarly, the Nicaraguan revolution and the ruling FSLN have been

given the same classification as the liberation struggles and "vanguard parties" of Angola, Ethiopia, Afghanistan, and Mozambique. Over the past seven years, Nicaraguan relations with the Soviet bloc and Cuba have been steadily solidified through increasing national-level contacts and a growing series of subnational linkages. Close relations have been established at the party-to-party level, between the EPS and allied military establishments, within the internal security apparatus, and through extensive and still growing economic contacts. These ties are based on a common ideology and world view, and shared local interests.

The nature of this relationship is most evident in the military area. Since 1979, Cuban and Soviet-bloc advisers have come to assume a critical role in the design, development, and support of the Nicaraguan military establishment. At the present time, there are estimated to be between 2,500 and 3,000 Cuban, Soviet, and East European advisers and support personnel attached to the Sandinista armed forces and internal security apparatus. These figures have remained relatively stable for the past five years. Cuban and Soviet-bloc personnel operate at virtually every level of the chain of command, from the Ministry of Defense, to the High Command staff, down to the company level in the EPS. Functionally, they have served in a command role, as combat unit advisers, as staff advisers, as instructors, and in a wide variety of support functions. Cuban and Soviet influence within the EPS is manifest in the army's force structure, doctrine, training, and style of operations. A similar influence is evident within the General Directorate of State Security, which, with certain minor alterations, is structured roughly along the lines of the internal security establishments of the Soviet bloc.

Despite such support, the Sandinistas have been careful about appearing obviously pro-Soviet, and the Soviet commitment to Nicaragua appears to be tentative. Soviet economic and military aid, however, already exceeds several million dollars a day. The Soviet Union has a strong, long-term incentive to continue its military investment in Nicaragua and to secure it as an ally. This incentive includes, as elaborated in Section VI, improved access to and support for Soviet forces operating in the Pacific and the Caribbean Basin, and the diversion of U.S. attention and resources from other priorities. The Soviets may, by making a small investment here, compel the United States to make a large countervailing economic and military commitment. As this investment grows, Nicaragua can be expected to become increasingly tied to its Cuban and Soviet-bloc sponsors. A Contadora treaty would slow, but is not likely to halt this trend, as discussed in Section VII.

THE NICARAGUAN SECURITY PROBLEM

The specific orientation of Nicaraguan policy in each of the issue areas we have examined remains uncertain. Sandinista behavior will be influenced critically by the regime's assessment of the risks of alternative courses of action. The risk factor, of course, is itself subject to change, through both altered perceptions and changing circumstances, making specific predictions additionally difficult. None of this, however, is likely to change the basic direction of Nicaraguan policy.

There are a variety of active or passive, offensive or defensive, aggressive or cautious directions in which Nicaraguan policy might develop within the context of each of our individual case projections (support for local insurgency, conventional military planning, and Soviet access options). These projections also do not appear to be mutually dependent. It is possible to envisage Nicaraguan policy developing aggressively in all three areas, slowly and cautiously in all three, or at different rates and in different ways for each of the three. The possible permutations are sufficiently numerous and complex and may depend so much on varying the underlying assumptions that no single composite scenario can be discerned as being the most likely at this stage.

Threats to Regional Security

Nicaragua can be expected to pose a mounting security problem in Central America—even though it may often appear to be doing nothing in particular to offend or undermine its immediate neighbors. As discussed in Sections III and V, this problem is likely to develop in two areas: in continuing Sandinista support for regional guerrilla movements and through the potential conventional threat posed by the Nicaraguan army. As noted above, it remains to be seen how each of these threats will evolve. In the short run, much will depend on the ongoing war with the Contras and the nature of U.S. policy toward Nicaragua and the region at large. Given the assumptions of this study, however, both threat areas are likely to pose a challenge to U.S. interests in Central America over the next decade, as they have since 1979.

For the next few years, the pace and character of the Sandinista military buildup is likely to be constrained by the speed with which the army is able to absorb new arms shipments, the competing demands of the counterinsurgency war against the Contras, and the ever-present threat of U.S. intervention. Should these constraints diminish over the next few years, the Sandinista buildup can be expected to increase

substantially. Particular improvements are likely to be seen in the qualitative area, through force modernization, increased training, and a gradual increase in the quality of the army's leadership and support base. The military balance in Central America is a fragile one. The armed forces of the region are small, poorly trained, and ill equipped. With this in mind, it is clear that the continued development of the EPS, if left unaddressed, will pose a growing threat to regional stability. At the very least, such a development would serve as an important instrument of political intimidation in Nicaragua's relations with neighboring states.

The growth of the EPS may seem the more imposing trend. Yet if, as seems likely, Managua is careful not to pose a direct conventional threat to its immediate neighbors, the more subtle threat of revolutionary unrest may prove to be the more serious problem in the coming years. As discussed in Section III, Nicaragua lies at the center of a regional guerrilla network with established international ties. It serves as a sanctuary and base of operations for various revolutionary movements, "internationalist" forces, and front groups operating within Central America. Cuba long held this status as a revolutionary center, and Managua continues to look to Castro for guidance and leadership in conducting the revolutionary struggle in Central America. Nicaragua's geographical position, however, the ease with which guerrilla cadres might transit to and from neighboring states, its well-established circuit of revolutionary connections, and the broad-front nature of Sandinista doctrine and strategy give Managua some important advantages should it choose to develop as an alternative center of revolutionary support in Central America.

Should Nicaragua move in these directions, it could pose a compound conventional/unconventional threat to its immediate neighbors. It could develop a unique capability to combine, or alternate between, military and revolutionary actions in dealing with its neighbors. If carefully handled, such a capability could give the Sandinistas an extra edge for intimidating those neighbors diplomatically and militarily, and for enhancing their vulnerability to local revolutionary forces.

Soviet Access Options

To the extent that this study's assumptions hold true, Nicaragua will continue developing very much as a product of Soviet and Cuban sponsorship. To be sure, Nicaragua has its own national interests—interests that may not always correspond with those of the Soviet

Union. The Sandinistas, however, consider themselves to be internationalists as well as Nicaraguans, and they have increasingly entrusted Nicaragua's internal and military development to Cuban and Soviet-bloc advisory personnel. This trend is almost certain to continue over the coming decade.

We can expect to see the Soviet Union begin to access Nicaraguan military facilities sometime during the second decade of Sandinista rule. For the foreseeable future, it appears likely that Soviet forces will content themselves with using upgraded Nicaraguan facilities, rather than attempting to build an independent basing structure. As noted in Section VI, Soviet access might develop profitably in a number of different ways. By augmenting or complementing Soviet assets already based in Cuba, access to Nicaraguan facilities could enable the Soviet Union to develop a military center of gravity in the Caribbean Basin. At the same time, the Soviets will, for the first time, have the option of establishing a permanent air and naval presence in the eastern Pacific and along the U.S. west coast. The infrastructure needed to begin to support a local Soviet presence is either in place or currently under construction. For the immediate future, Soviet actions are likely to be conditioned on the anticipated reaction of the United States. As U.S. policy toward Nicaragua stabilizes, however, Soviet behavior can be expected to become less responsive to U.S. sensitivities and directly keyed to Soviet local military requirements and regional political interests.

What may Nicaragua enable the Soviet Union to do that it otherwise could not do, or that would be more difficult or costly to do in other ways? The answer, as elaborated in Section VI, lies initially and mainly in the areas of intelligence, reconnaissance, and logistical support. Because of its geographic location, Nicaragua could play an important role as a logistic, support, and transfer center for Soviet naval and air forces. Access to Nicaraguan facilities could assist in reducing transit times for Soviet naval forces operating off the east and west coasts of the United States, increase on-station times, serve as a point of resupply for forward-deployed Soviet naval units, provide a base of operations for reconnaissance and intelligence collection in the eastern Pacific, and force a major diversion of U.S. assets designated for other theaters. Completing the support base to conduct such operations will take time, money, and resources. As we have suggested, the problem is likely to develop incrementally over time.

EXTERNAL, NOT INTERNAL, CONSTRAINTS WILL BE DECISIVE

Future Nicaraguan military development will tend to depend much more on external than on internal constraints. The current posture of the EPS is already beyond Nicaragua's ability to develop, support, or maintain without the large-scale assistance of a generous foreign sponsor. As noted earlier, the rapid expansion of armed forces has been closely dependent on Soviet-bloc arms transfers, Cuban training and advisory support, and Cuban and East European technical and logistical assistance. The nature of this assistance, of course, has evolved over time with the evolution of the Nicaraguan armed forces. Many of the basic training functions once directed by Cuban officers and NCOs, for example, have now become the responsibility of the EPS. Similarly, Nicaraguan commanders appear to be playing a notably greater role in planning and directing their own operations than they played even two years ago. To its credit, the EPS has proven to be both flexible and adaptive, as the developing war against the Contras has demanded innovations in the army's organization, force structure, and tactics.

Despite its rapid development toward maturity, however, the EPS is still an army fielded by a poor and technologically underdeveloped state. As in the case of all such armies, its future will hinge on the assistance it is able to receive from its more powerful associates. Nicaragua's most immediate need, in this respect, is in the area of material and technical aid. First, Nicaragua is not in a position to underwrite its own force buildup. Any expansion in the army's current equipment inventories, and probably even the requisite flow of spare parts and consumables to keep current inventories operational, will continue to depend on the Soviet bloc's willingness to provide assistance without cost or on subsidized terms. Second, for the foreseeable future, Nicaragua will remain dependent on Soviet-bloc and Cuban assistance to maintain the military's operational readiness. Nicaragua does not possess the industrial base or skilled manpower to support or even develop an effective and self-sufficient logistics base over the coming decade. The support burden is likely to grow rather than diminish over time, with the growth, modernization, and further differentiation of the EPS.

Servicing and logistical requirements can also be expected to increase should a higher percentage of the EPS be drawn into the ongoing struggle against the Contras. Requirements for fuel, oil, lubricants, ammunition, spare parts, transportation, and the skilled manpower to maintain operational ready rates will, in fact, tend to increase

at a rate that is faster than any increase in the pace and intensity of the war. This problem is made more severe by the dated nature of much of the army's equipment inventory. Most of the Soviet-bloc arms shipped to Nicaragua have seen years and, in some cases, decades of active service prior to their transfer to the EPS. Even routine maintenance has proven to be a continuing problem. Under the stress of continual operations, however, servicing requirements can be expected to increase rapidly. At this writing, Nicaraguan forces involved in operations against the Contras have succeeded in maintaining a high state of readiness. This has only been accomplished, however, with close Cuban and Soviet-bloc support. Should the war intensify, the demand for such support will almost certainly increase with time.

Continuing assistance is also likely to be required at the higher staff level, to support long-range planning, supervise Soviet-bloc aid programs, assist in the organization and supervision of local training regimes, and support operational decisionmaking throughout the army's chain of command. In general, it is easier to train operators than effective managers. The skill levels needed to drive a tank, sight an artillery piece, aim a rifle, or even command a group of men in battle are not as demanding as those required to run a complex organization. Military performance, however, depends as much on effective staff work and higher managerial expertise as it does on having "good shooters" and a cadre of competent junior officers and NCOs. One of the most important, if underrated, contributions of the Cuban and Soviet-bloc advisory group in Nicaragua has been made in this area. In serving as a supplemental source of human capital, the Cubans, in particular, have provided the organizational and managerial skills to enable the EPS to evolve to its current size and level of effectiveness.

What role foreign advisers will play in the future will depend, in part, on the priorities and competing demands facing the regime. Over the past seven years, the Sandinista regime has focused principally on (1) consolidating its political position, (2) mobilizing a credible army, and (3) containing and defeating the Contra insurgency. Economic considerations, while important, have taken a back seat to the more immediate need to ensure the regime's continuing hold over the reins of power. Despite a scarcity of skilled and educated manpower, the nature of Sandinista priorities has made the task of allocating human resources easier than it might be in the absence of a clear and immediate threat. Economic development, however, cannot be deferred forever. As the need to show some kind of economic progress grows, the demand for skilled manpower will increase correspondingly. For the foreseeable future, much of this demand will have to be met by foreign

personnel. This might be achieved by increasing the number of Cuban and Soviet-bloc advisers attached to the civilian economy, or, in an effort to free up additional talent, by retaining a large foreign presence within the EPS.

All of this will work to tie the Nicaraguan army to its Cuban and Soviet-bloc sponsors. While the EPS has certainly come a long way in the past seven years, it has already reached and passed the point of asymmetric development.¹ There is a wide gap between the current posture, capabilities, and support requirements of the Nicaraguan armed forces and the capacity and level of technological development of the Nicaraguan economy. This will continue to foster a state of military dependency on foreign arms, technical support, and managerial and organizational expertise. The nature of this dependency has become all the more acute because of Nicaragua's single set of sponsors and the fact that the regime is not, and for the foreseeable future will not be, in a position to pay its own way. The degree to which Cuba or the Soviet Union will succeed in translating this dependency into political influence is a matter of debate. What it illustrates, however, is the degree to which developments within the Nicaraguan armed forces are subject to external direction and involvement. For the next decade, at least, Cuba and the Soviet Union can be expected to play an important role in underwriting and supporting military planning, development, and operations. As long as Cuban and Soviet-bloc support continues, Managua will be able to maintain current force levels without undue economic strain.

Apart from the issue of Cuban and Soviet-bloc support, the only potentially binding constraints facing Managua over the coming years will be the direction U.S. policy takes toward Nicaragua and the Contras. These factors will determine whether Nicaragua poses a greater or lesser challenge to the United States and its allies in the region. Should Soviet support waver and the resistance, with U.S. support, keep the Sandinista regime on the defensive, Nicaragua may not be able to develop fully as a revolutionary actor in the region and could well be compelled to turn inward, at least temporarily. If, instead, the

¹General social and economic indexes provide little insight into the nature of the principal constraints facing Sandinista military planners over the next five to ten years. The same is true of any state in which military modernization, because of large-scale foreign assistance, has outpaced the level of development and the technical base of the national economy. The key variable determining the future character and effectiveness of the EPS over the next five to ten years will not be the level of Nicaraguan development, but the level and nature of Cuban and Soviet-bloc assistance. For a discussion of the relationships among modernization, foreign aid, and military effectiveness, see Anthony Pascal et al., *Men and Arms in the Middle East: The Human Factor in Military Modernization*, The RAND Corporation, R-2460-NA, June 1979.

assumptions that provided the starting point for this study prevail—strong Soviet support, a stymied U.S. policy, and an ineffective Contra resistance—and if a Contadora-type treaty provides no effective constraint, Nicaragua will be relatively unconstrained from developing in the directions we have postulated.

How Nicaragua's future policies may affect its neighbors and what this will ultimately mean for U.S. planning are issues that go beyond the scope of this study. It should be noted, however, that Central America is a region where U.S. allies have become very dubious about U.S. reliability and resolve to stay the course. Two or more decades ago, those allies would have been most concerned that Washington's involvement in Central America would result in U.S. domination; now they are more concerned that the result will be U.S. abandonment. Few of them doubt the capabilities of the United States *per se*, but local reactions turn on perceptions of vulnerability as well as capability. Where the "balance of *capabilities*" once seemed to favor the United States, there is now growing concern that the "balance of *vulnerabilities*" may favor the Sandinistas.